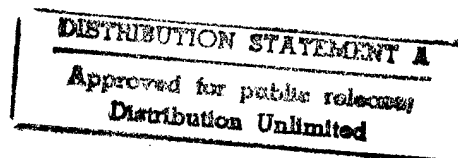


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JPRS-SEA-87-029

3 MARCH 1987

Southeast Asia Report



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AGREEMENT WITH NEW ZEALAND TO MONITOR UNDERGROUND TESTS

Sydney THE SYDNEY MORNING HERALD in English 13 Dec 86 p 4

[Text]

CANBERRA: Australia and New Zealand will co-operate on the monitoring of underground nuclear tests.

The Minister for Foreign Affairs, Mr Hayden, and the New Zealand Prime Minister, Mr Lange, announced yesterday that an inter-governmental agreement will be concluded as soon as possible.

They said the proposed bilateral agreement would facilitate co-op-

eration in monitoring nuclear tests.

They hoped it may also be the forerunner of further agreements providing for a global seismic network to verify compliance with a comprehensive Nuclear Test Ban Treaty.

The two Ministers affirmed the strong commitment of Australia and New Zealand to the early conclusion of such a treaty, which would ban all nuclear tests forever.

Meanwhile, Mr Lange has apparently failed to gain any support from Mr Hayden on a bid to have Australian Government bounties to manufacturers abolished under the Closer Economic Relationship trade treaty.

This followed another warning by Mr Hayden that New Zealand manufacturers, who had profited greatly from CER, would only aggravate an Australian industry backlash if they continued to complain.

PAPER SUPPORTS SECRETS ACT AMENDMENT

Kuala Lumpur BERITA MINGGU in Malay 7 Dec 86 p 10

[Editorial: "ARR: Its Legality Need No Longer Be Debated"]

[Text] The 1986 Official Secrets Act draft bill (for the amendment), said to be a most controversial bill and discussed a great deal by the public, was passed by the House of Representatives, which was in session until 11:34 last night. All 128 members of Parliament representing the National Front (BN) who attended this session and three Independent members supported the amendment bill while 21 members of Parliament representing the DAP [Democratic Action Party] opposed it. Two DAP members--Mr Karpal Singh and Mr Hu Sepang--were ordered out of the chamber for violating the session's rules. Mr P. Patto's (a member of the DAP representing Ipoh) proposal to refer the amendment to the Parliamentary Selection Committee failed when 132 supporters of the government voted against it.

During his speech when releasing the bill for its second reading, Prime Minister Datuk Seri Dr Mahathir Mohamad explained at length why the ARR had to be amended in the interests of the people and the country. In any government, organization, or even in a family, he said, certain secrets must be protected. Anyone who reflects soundly on this matter will definitely admit that this is true. We may not rely on the freedom to seek information merely to oppose this amendment bill because not all information may be revealed to the public. Even in court certain information must be relayed "in camera."

It is absolutely false that this amendment reduces the flow of information as claimed by opposition organizations and parties because this act has been in force for almost 30 years. This amendment, which has been passed, clarified a number of ambiguities regarding information classified as secret in the 1972 ARR. On the other hand, if one studies the amendment in more detail, it actually is more difficult for complaints to be taken to court because only complaints about the leaking of secrets that are listed in that act may be brought to court. If this is done in accordance with the law, the guilty person receives an appropriate sentence.

The mandatory sentence to prison for a minimum of 1 year also should not be cause of concern. The allegations of those who oppose the ARR amendment that the mandatory prison sentences allows judges no leeway is false. The judge,

after considering the law, may hand down a prison sentence of 1 year, 2 years, 3 years, or 14 years. For cases under this act, however, the judge, for practical reasons, may not change the prison sentence to a fine. The principle of justice is not breached thereby because, as under other laws, the mandatory sentence only affects those who are guilty. On the other hand, the mandatory sentence will make it easier for judges to hand down sentences because no one will be able to dispute their decisions as for the mandatory death sentences in cases that fall under the Dangerous Drugs Act.

In his speech, the prime minister explained that the mandatory sentence to prison for a minimum of 1 year must be maintained because it is only such a sentence that can teach a lesson to those who leak government secrets. When someone leaks a secret, he said, a considerable amount of money may be involved, even more than the amount of the fine that might be levied on the person, and the fine also could be paid by the person who benefited from the leak. Therefore, the sentence of a fine is ineffective.

Another question raised by those who opposed the amendment was the matter of integrity and abuse of the act. This is subjective and cannot be measured by the law. If this were contested, it means that any law in this country could be contested from this aspect. When the Internal Security Act (ISA) was passed, many people were concerned that the government would abuse it. Nevertheless, what really is happening now gives lie to this concern. The liberal attitude of the government headed by Datuk Seri Dr Mahathir Mohamad, was first demonstrated by his liberation of hundreds of individuals imprisoned for violating the ISA. We are convinced that government officials and newsmen who understand what the ARR is all about will not be concerned and will carry out their responsibilities as usual. Only those with superficial intelligence, those intent on or who wittingly desire to do evil, or those who want to use this issue to vilify the government will parade their allegations that the ARR is unjust.

6804/13104
CSO: 4213/37

KIT SIANG CRITICIZED FOR STAND ON UMNO EXPANSION TO SABAH

Kuala Lumpur UTUSAN MALAYSIA in Malay 3 Dec 86 p 8

[Editorial: "Lim Kit Siang's Immorality"]

[Text] It sounds strange to hear Mr Lim Kit Siang, secretary general of the DAP [Democratic Action Party], urge the UMNO [United Malays National Organization] to stay out of Sabah State even though the DAP has already expanded into that region. Is this a form of democracy secretly designed by the party to create an uproar among Malaysians should the DAP want to hold power in the future? Mr Lim wants democratic rights for himself and his party but does not want other parties to have the same rights.

There is concern that some people who pretend to fight for democracy and human rights will ignore democracy and human rights and will oppress the people should they (God forbid) come into power in the future. This has happened in a nation nearest Malaysia, and if we understand what "like father, like son" means, we should be aware of how immoral these people are.

Mr Lim also acted as though he knew the UMNO would be able to influence the Sabah people, given the time and the opportunity, when he expressed his concern that the UMNO would "change the political situation" in that state. Even if Sabah residents resent politicians from the peninsula, whatever their political stripes, the DAP could be said to have cleared the way for other parties such as the UMNO to also move into Sabah. It seems that Mr Lim knows that time and opportunity will show the people's support for the UMNO just as the DAP has experienced in Sabah.

Clearly, Mr Lim has tried to arouse fear in the Sabah people and in the Sabah United Party (PBS) in order to create more opposition to the UMNO's entry into the state. The PBS has submitted a memorandum on this matter through its secretary general to the top officials of the National Front. This is not enough for Mr Lim.

Does he want this issue to be decided by mob rule? Does he want to incite the Sabah people to anger so that he can keep democracy from operating according to legal principles? It is difficult to know precisely what he wants in this matter.

It is easy to see other men's faults but difficult to see one's own. Mr Lim claims that the UMNO's entry into Sabah will open a new chapter full of political tension and crisis. UMNO's expansion into Sabah at this time, he said, will aggravate "ethnic polarization." Isn't Mr Lim aware that his political "style" has intensified chauvinism among Malays and bumiputera [indigenous people]?, and especially among the Chinese whose destiny he thinks he alone can fight for?

Evidently, the immorality of some individuals in our society becomes increasingly clear every day. In order to make it perfectly clear, we use the British proverb, "They want their cake and eat it too."

6804/13104

CSO: 4213/37

BRIG GEN BON HASBULLAH YUSOF PROFILED

Kuala Lumpur UTUSAN MALAYSIA in Malay 2 Dec 86 p 15

[Article by Aziz Ishak: "Brig Gen Bon, A Respected Military Leader"]

[Text] Energy, self-confidence, courage, competence, and vitality are very important qualities for advancement in the military forces. The same is true of a person's abilities as well as motivation toward his mission. However, how important are these qualities to men of the Malaysian Armed Forces (ATM) now?

These qualities were a "charm" for Brigadier General Datuk Bon Hasbullah Yusof, commander of the Commando Group, in his rise as a respected military leader in the ATM.

Among military men, he is better known as "Brig Gen Bon" and his posture clearly symbolizes the correct traits needed by a military man.

Brig Gen Hasbullah, 44 years old, also participates actively in sports, and he currently is the vice chairman of the Malaysian Parachuting Association and the chairman of the Army Sports Institute (LSTD).

He also was a respected athlete in the 1960's and represented the country in triple jump events. His athletic ability at that time brought fame to the ATM.

Touching on his background while serving in the ATM, Brig Gen Hasbullah informed us that he was born in Muar, Johor, in 1942 and was educated at the Segamat Middle School in Johor before entering the Putera [Sons of Malay] Branch of the Royal Military College in 1956.

He completed his studies up to the sixth class when he became an officer cadet at this school.

He later was selected to continue his training at the Cadet Officer School (SPK) in Port Dickson. Thereafter, he was sent overseas for a year's training in 1961.

At the time, he was the first Malaysian noncommissioned officer to be selected to head a cadet company in this foreign country.

On return to his homeland in 1963 [as published], Brig Gen Hasbullah joined the 7th Battalion of the Royal Malay Troops Regiment (RAMD) and was commissioned a lieutenant. Subsequently, he was selected to head a platoon and to serve as an intelligence officer.

Commissions

In 1966 he was promoted to captain and was selected to be the aide de camp for General Tan Sri Tunku Osman Jawa, armed forces commander.

Brig Gen Hasbullah then held a staff assignment in the Defense Ministry up to 1968 when he was sent to a western nation for intelligence studies.

Completing his studies, he returned to the RAMD to head a company in the 9th Battalion of the RAMD and was promoted to major. With this battalion, he participated in a joint exercise with five countries in 1970.

Brig Gen Hasbullah volunteered to serve with the Commando Regiment in 1971.

After qualifying in basic commando training, he was selected to head a squadron and was assigned to parachute and related training.

In 1973, he was transferred to the Army Department (DTD) of the Defense Ministry as a staff training officer. Nevertheless, he did not remain in the DTD for along time, for in the same year Brig Gen Hasbullah was sent to Europe to take two military courses.

Returning to Malaysia in 1974, he was promoted to lieutenant colonel and wore the fourragere of the executive office for the 4th Battalion of the RAMD.

From that time on, his career in the ATM blossomed. In 1976, he was entrusted with the post of executive officer of the Malaysian 1st Commndo Regiment.

Two years later he was appointed deputy commander of and chief instructor at the Army Training Center (PULADA). At that time, he headed an ATM group in the "Kekar MALINDO [make Malaysia and Indonesia strong]" Exercise held jointly with the Indonesian Armed Forces (ABRI).

In 1979, he again was sent abroad for staff courses at a military institution.

When he returned, life improved. He was promoted to colonel and became the commandant of the Special Warfare Training Center at the Sungai Udang Camp in Melaka, where he remained until 1984. He was then transferred temporarily to the 4th Division Headquarters as chief of staff.

He later was appointed aide de camp (ADC) to His Majesty Yang Dipertuan Agong, a post he held for almost 2 years up to December 1985 when he was promoted to

brigadier general and became the commander of the Commando Group, a position he has held to the present time.

It should be mentioned that Brig Gen Hasbullah also was dispatched to make inspections as well as attend military courses in many countries.

Asked his views about a military career, he said, "Although a career as a military man is strenuous, there is something unique about it which makes every soldier and officer of the ATM proud to be a military man."

He said military life offered many advantages to soldiers from the standpoint of discipline, self-confidence, courage, independence, knowledge of all aspects of defense, and an individual's professional development.

Discipline

Brig Gen Hasbullah felt that his military training from adolescence in the Putera Branch greatly influenced him toward a military career.

"I thought the ATM had much to teach me about human nature and responsibility to the troops, people, religion, and the country. I am proud and thankful to be in the ATM," he repeated.

Asked how he felt about leading an elite troop, Brig Gen Hasbullah said, "I am delighted and grateful for having been entrusted with this task. It really is a big responsibility to ensure that the RGK is truly an elite force and fulfills its missions of meeting any challenge."

He added, "This is not only a mandate from the ATM but it is also a mandate from the people. If Allah wills it, I shall try with all my might to make the RGK a more professional force, and I am certain that this is the aspiration of every officer and soldier in the RGK.

Attitude

Brig Gen Hasbullah then criticized a small group of military officers and men who did not hold to the true military values.

"Soldiers must be more confident, dedicated, and must foster the spirit of heroism. We are military men, and no matter what rank we hold, we are soldiers. So, we must display a higher fighting spirit than other citizens--this is a military value," he asserted.

Concerning his activities in the field, Brig Gen Hasbullah said he liked energetic activities such as parachuting. He still is an active parachutist and has made 600 jumps.

Brig Gen Hasbullah is a dynamic example for soldiers. The combination of military values to which he holds clearly is the stuff that dreams are made of for the people and the ATM.

BRIEFS

NO PBS EXPANSION TO PENINSULA--Kuala Lumpur, 3 December--The PBS [Sabah United Party] will not expand to the Malaysian peninsula although Mr Ghafar Baba, deputy prime minister, recently said the party could expand into that area if it so desired. Mr Kasitah Gadam, PBS vice president, reported that while his party could do this, just as the UMNO [United Malays National Organization] is spreading its influence in Sabah, no proposal has been put forward to do this now. He added that the PBS would merely try to strengthen its position in Sabah, and there was no reason why it should expand to the peninsula just because the UMNO had expanded to Sabah. The victory of the PBS candidate in Sulaman, he said, demonstrates that the future looks bright for the PBS's control of all of Sabah State. In regard to his intent to object to UMNO's expansion into Sabah during a meeting with the prime minister, Mr Kasitah, who also is a minister in the prime minister's department, explained that he had not been contacted about such a meeting at this time. Nevertheless, he reported that preparations were being made to meet with the prime minister, but no decision has yet been made on the date or time for such a meeting. "I cannot disclose the contents of the memorandum opposing to UMNO's expansion to Sabah, but it was written in a spirit of brotherhood rather than in the form of a protest," he told UTUSAN MALAYSIA in the Parliament Building today. [Text] [Kuala Lumpur UTUSAN MALAYSIA in Malay 4 Dec 86 p 5] 6804/13104

PBS FOR SECRETS ACT AMENDMENT--Kuala Lumpur, Monday [8 December]--The PBS [Sabah United Party] decision to support the Official Secrets Act (ARR) amendment of 1986 was made in the national interests and not because the party was concerned about being expelled from the National Front, Mr Kasitah Gadam, its vice president, said today. Mr Kasitah, who is also a minister in the prime minister's department, made this statement when clarifying the PBS's support of the draft bill although initially the party had been opposed to it. "The PBS supported the bill after it was satisfied with the changes made by the government," he said after he formally opened the national seminar on technology management of restoration using bricks in industry held here in Kuala Lumpur. Mr Kasitah said the main idea behind the PBS's support of the bill was the need to safeguard national economic and security interests. "The PBS's support of the draft law also does not mean that we have become a puppet of the National Front," he said. The decision to support the bill, he said, was made unanimously by the PBS leadership although not all party members agreed with the decision. In any case, the PBS will provide its members with a detailed explanation of why the decision was taken if they still are

dissatisfied with the party's support of the ARR, he said. "PBS members and the public will understand why the party decided to support the bill," he said. According to Mr Kasitah, the PBS expressed its doubts about the bill when the amendment was first laid before Parliament. The party later offered a number of counterproposals to the government. "The government then agreed to take the PBS's views into account and made a number of changes in the bill." [Text] [Kuala Lumpur BERITA HARIAN in Malay 9 Dec 86 p 1] 6804/13104

MCA PREPARING FOR SABAH--Kota Kinabalu, Tuesday [9 December]--The Sabah MCA [Malay Chinese Association] provisional executive committee will not be disbanded but rather will obey the people's will regarding the UMNO's [United Malays National Organization] decision to expand into this state. Today in Kota Kinabalu, Mr Peter Ho See Ming, its chairman, said the support demonstrated by a great many Chinese in Sabah in the past was very encouraging. He claimed that the Sabah MCA, established early last month, had now caught the people's attention after several small parties firmly supported the USNO's [United Sabah National Organization] desire to merge with the UMNO. Mr Ho is confident that the Central MCA will not hesitate about setting its feet in Sabah if the Chinese community reacts favorably. "Even though MCA leaders in Kuala Lumpur earlier frequently said the time was not yet ripe for the party to expand into Sabah, they are prepared to restudy the question if the people here react favorably to the expansion," he added. A number of Chinese leaders in Sandakan, Tawau, and Lahad Datu are preparing to establish a branch in the regions concerned, he said. The executive committee, Mr Ho said, will also meet with several leaders next month to discuss this matter because a number of residents there showed real interest. [Text] [Kuala Lumpur BERITA HARIAN in Malay 10 Dec 86 p 2] 6804/13104

DAP LIAISON COMMITTEE IN SABAH--Kota Kinabalu, Sunday [14 December]--The DAP [Democratic Action Party] will form a liaison committee here next year to accommodate its activities to the situation in this state. Today Mr Fung Ket Wing, a DAP member of Parliament representing the Sandakan area, said the party's home office in Kuala Lumpur is now in the final stage of forming this committee. According to Mr Fung, the committee may be headed by the DAP member of Parliament representing Sabah. However, he did not name the individual who might be selected. "The committee will be a liaison body for the political arena of this state," he said. Subsequently, DAP branches will be established all over the state, focusing on areas outside the cities, he said. Mr Fung claimed the DAP now receives increasing support from the people especially in urban areas where most Chinese live. He also said that past discussion about the UMNO [United Malays National Organization] expanding to Sabah helped influence the Chinese to maintain their support of the DAP because only through this party could their interests be served. "The PBS [Sabah United Party] really did not pay enough attention to the Chinese although that party promised it would operate under a multi-ethnic group concept," he added. [Text] [Kuala Lumpur BERITA HARIAN in Malay 15 Dec 86 p 6] 6804/13104

CSO: 4213/37

AUSTRALIA-ASEAN PROGRAM VIEWS STABILITY OF U.S. BASES

Quezon City VERITAS in English 11-17 Dec 86 p 7

["ASEAN Forecast" column by Ed. C. de Jesus: "ASEAN Analysis--Facing the Bases Issue"]

[Text] SINCE 1982, the Australian Administrative Staff College has been conducting each year a two-week Australian-ASEAN International Business Management Program.

This conference-seminar brings together at the College campus in Moondah, just outside Melbourne, between 15-20 participants from the ASEAN countries and an equal number from Australia.

The participants typically hold upper-middle management positions in private as well as public sector institutions. Some chief executive officers and managing directors as well as independent entrepreneurs occasionally join the group. The program provides an opportunity for the participants to learn more about the business culture and conditions in each other's country and to explore the prospects for linking up in joint ventures.

One of the first sessions that each Australian-ASEAN Program (AAP) class goes through is an exercise in forecasting regional developments. Drawing on their grasp of regional issues and concerns, the group develops a vision, first of what it would like to see, and second, what it expects to see in Southeast Asia by the year 2000 A.D.

Looking at the issue of regional security, AAP 3, held in August, 1984, concluded that by 2000 A.D. neither the United States nor any other foreign power would hold any military bases in the Philippines. AAP 5, held in October-November, 1986, disagreed with this view, maintaining that the United States would most probably retain their Philippine bases into the 21st century.

Both AAP classes apparently recognized that the fate of the bases ultimately depended not on the Philippine government but on the Filipino people. The Marcos government took a pro-bases position. But AAP 3 saw the growing public disaffection with the Marcos regime, judged its downfall only a matter of time, and regarded the bases as an inevitable casualty of the regime's collapse because of the perceived US support for the dictatorship.

Cory Aquino has consistently refused to commit herself to a position on the future of the bases in the Philippines. But AAP 5 believed that the Filipino people, no longer seeing the bases as a prop for a dictatorship, would support their continued presence or allow Aquino to make this decision.

While AAP 3 was pessimistic about American retention of the bases, its own preference, like that of AAP 5, was for their continued stay. Crucial to this consensus, was the concern over Soviet bases in Vietnam and the potential threat to vital Pacific and Indian Ocean trade routes. The vacuum left behind by US withdrawal, they feared, would allow the USSR a more dominant role in the region and provoke China and Japan into building up their own naval forces in the area.

ASEAN private sector participants were more likely than their government colleagues to accept the inconsistency between support for the bases and the ASEAN advocacy of the principle that Southeast Asia should be a "zone of peace, freedom and neutrality." Clearly, balance of power considerations took precedence in their minds over the ideal of ZOPFAN. But just as

clearly, the concern was not compelling enough for non-Filipino ASEAN participants to consider their countries as possible hosts to US bases.

The AAP participants obviously do not compose a representative sample. They are probably conservative in their social and political orientation, as businessmen and bureaucrats generally tend to be. But their opinions appear to reflect the views of government decision-makers who must consider the issue of US bases in the Philippines in the context of regional security.

Notwithstanding ZOPFAN, the ASEAN partners of the Philippines appear convinced that the US bases served a legitimate and necessary regional purpose. But the bases also carry with them certain political, social, and psychological costs (as well as potential physical costs in the event of a shooting war between the Super Powers). These costs they are unwilling to bear.

Hence, notwithstanding ZOPFAN, ASEAN as a group prefers to regard the issue of American bases in the Philippines as a matter for the Philippines and the United States to settle on a bilateral basis. But unofficially, individual ASEAN governments reportedly press on the Philippines their geo-political, balance of power concerns. This approach allows the ASEAN partners a free ride: they enjoy the bene-

fits of enhanced regional security without sharing in its costs.

The situation is rich in irony. Technically, the bases exist only to protect the security of the Philippines and the United States. They could not be used, for instance, to counter threats against Thai territory or Indonesian and Singaporean shipping. Some quarters in the Philippines object to the bases and the mutual defense agreements with the United States on the grounds that they do not provide adequate protection for the country. But other countries, not party to these bilateral arrangements, seem to derive greater comfort from the bases than their intended beneficiary.

The value of the bases to regional security is, of course, preeminently a matter of perception. So are their political costs about which free riders are so wary. And yet such costs would weigh less heavily on the Philippines were its ASEAN partners more candid about their views on the contribution of the bases to collective security.

Greater candor in coming to grips with the bases as a regional issue might even begin to persuade people that ASEAN takes ZOPFAN seriously. To continue preaching ZOPFAN, while studiously ignoring the bases issue, would be to reduce the principle to a platitude, a motherhood statement requiring public assent but no concrete action.

/13104

CSO: 4200/332

AQUINO EXECUTIVE ORDER REVAMPS GOVERNMENT MEDIA

Quezon City VERITAS in English 25-31 Dec 86 p 12

[Article: "A New Information Order?"]

[Text]

JOURNALISTS wondering what was the point of government's recent attacks on media found out the answer last week when President Corazon Aquino signed Executive Order No. 92 "Expanding the scope of responsibility, authority and accountability of the office of the Press Secretary."

Press Secretary Teodoro Benigno, the direct beneficiary(?) of the order, defended the move by saying "the government will certainly look after its interests."

He was obviously referring to articles and broadcasts strongly critical of government policies and personalities. During one cabinet meeting, he said, the Ministers were "in absolute high dudgeon because even in our own stations government is being lambasted and (they) felt that this is something outrageous."

The new order puts under the press secretary's control the following offices: the Bureau of National and Foreign Information including its subsidiaries such as the International Press Center and the Philippine News Agency; Malacanang radio and television networks; People's Television 4; Bureau of Broadcasts and all radio stations under it.

The order takes on the view that the Office of the Press Secretary (OPS) was created to "ensure that the government's view is communicated to the public especially on issues affecting the nation's welfare" and that "it is necessary for the government to utilize and consolidate as much of its information resources as possible to ensure an effective and efficient role."

The press secretary, in the press briefing announcing the order, also asked members of the press to "make a distinction between propaganda and information." Said he: "The main reason and probably only reason for integrating all offices under the OPS was to systematize or synchronize all offices which were going in different directions." He characterized information operations as a "sort of jungle" with a "number of queer animals making a lot of different noises."

A new agency, the Philippine Information Agency (PIA), will also be set up under the leadership of former Information Minister Teodoro Locsin. The creation of the PIA will dismantle the National Media Production Center although its city and regional offices will remain intact. Benigno hastened to clarify that the PIA will devote itself to "development-oriented" media campaigns such as instructing citizens on how to apply for passports, proper hygiene and other sundry matters.

The two new offices, set up soon after the Ministry of Information was dissolved as part of Mrs. Aquino's government platform, "have nothing to do with propaganda," Benigno clarified. Otherwise, he said, "we would just be committing the same outrageous blunders as the Marcos regime."

IN ANOTHER move, the President issued Executive Order No. 94, abolishing political party representation in the Board of Canvassers for each province, city and in Metro-Manila. This was one of several changes made in the new order which amends the Omnibus Election Code.

In the past, representatives of the ruling party and the dominant opposition party were given seats on the board of canvassers as well as on the board of inspectors at the precinct level. On October 20, last year, political party inspectors on the board of inspectors had to give up their seats.

The provincial board of canvassers will be composed of the provincial election supervisor as chairman, provincial fiscal as vice chairman, and provincial superintendent of schools as member.

The city board of canvassers will be composed of the election registrar who shall be a lawyer, or a lawyer of the Commission on Elections, with the city fiscal and the city superintendent of schools as members.

The Comelec will appoint the members of the District Board of Canvassers after consulting with the Ministries of Justice and Education, Culture and Sports.

Later in the week, Mrs. Aquino addressed the Association of Philippine Physicians in America, asking the members of the Filipino expatriate medical community to help in "healing (of) the nation's wounds; the wound inflicted on its (the Philippines') democratic traditions, the wound inflicted on its economy, the wounds inflicted on the very bodies of its people by hunger, poverty and disease."

She told the physicians, "We are asking you to put in your talent, your time and your experience to the work of restoring the health and well-being of your old country."

On Saturday, the president made a Christmas visit to Camp Servillano Aquino in Tarlac where she commended the New Armed Forces for their efforts in adhering to the ceasefire but at the same time urged them toward a "keen preparedness for war" in the months ahead.—JO-ANN B. CRUZ

/13104
CSO: 4200/332

LABOR MINISTER OUTLINES POLICIES, GOALS

Quezon City BUSINESS DAY in English 29 Jan 87 p 2

[Text]

Labor Minister Franklin Drilon yesterday outlined his ministry's general policies and goals, calling for promotion of employment, improvement of working conditions, enhancement of workers' welfare, and maintenance of industrial peace.

Addressing the Personnel Management Association of the Philippines, he added that the ministry has an equal responsibility to ensure the viability and growth of industry, including employers' rights.

Appointed minister last month, Drilon stressed that pursuing this general mandate requires a delicate balancing of interests. He said the ministry "cannot be seen either as pro-labor and anti-management or pro-management and anti-labor."

He also said the ministry would link its programs with national programs and objectives.

The ministry's immediate goals in employment include the provision of appropriate skills training, the facilitation of local employment, the development of overseas labor markets, and the regulation of private agency recruitment and the employment of aliens, Drilon said.

On workers' protection and welfare, the ministry will focus on ensuring security of tenure, just and human conditions of work, compliance with minimum wages, and promoting the interests of rural women and young workers, he added.

Drilon said the ministry would formulate a policy on wages and income that would guarantee that labor receives "its just share in 'the fruits of production,' while at the same time, promoting the growth and expansion of business and trade by enhancing product competitiveness and productivity.

On industrial relations, especially in anticipation of the 1986 Constitution's ratification, the ministry would give the highest priority to promoting workers' right to organize and right to collective bargaining, the minister said.

He added it would also pursue and support labor education programs, voluntary establishment of labor-management bodies in unionized and non-unionized establishments to foster industrial peace and stability, satisfactory settlement of labor disputes, and setting up of an "early warning" mechanism for the early settlement of disputes but more importantly for their prevention.

Drilon also said the ministry would continue its efforts to initiate a moratorium on direct action in industrial relations, whether on a national, regions or industry or company level.

The labor ministry recently completed its corporate planning, Drilon said. Despite its limited manpower and other resources, it is currently of strengthening its internal capacity to effectively confront labor and social issues.

The reorganization of the ministry has not resulted in the dissolution of the Bureau of Women and Minors (BWM) and the Bureau of Rural Workers, he said. The BWM has been simply renamed as the Bureau of Women and Young Persons. Renamed also was the National Labor Relations Commission as the National Labor Arbitration Commission.

Preserved also is the ministry's basic placement function along with its labor market informations system which is mainly designed to assist the poor and disadvantaged segment of the working population.

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CSO: 4200/329

GOVERNMENT INFRASTRUCTURE, HOUSING INVESTMENT PLANS

Quezon City BUSINESS DAY in English 29 Jan 87 p 9

[Article by Alejandro V. Almazan]

[Text]

The national government plans to invest P287.6 billion for its public infrastructure and housing programs during the period 1987-1992, the National Economic and Development Authority's (NEDA) six-year development plan showed.

Of the total projected investment outlay, P257.6 billion will be allocated for the national infrastructure program, while P30 billion will be earmarked for the national shelter plan.

Funding for the government infrastructure program will come from budgetary appropriations, corporate earnings, the national government and corporate domestic borrowings, and foreign sources, the NEDA report said.

Broken down by source, about 72%, or P135.2 billion of the total financial requirements, will come from direct budgetary outlays. Corporate borrowings and earnings will account for about 28%, or P53.7

billion. Due to the strict economic measures and funds control to be adopted by the government, equity contributions to government owned or controlled corporations will amount to around P16.4 billion for the six-year period, NEDA explained.

The remaining 26% of financing will come from foreign borrowings which will be shared almost equally by the national government and the major infrastructure corporations.

OBJECTIVES. NEDA said the government infrastructure program has two objectives: to provide the social overhead facilities to catalyze productive activities; and to serve as a tool to induce development in desired areas.

To attain these objectives, the government will give emphasis to rural-based, small- and medium-scale, short-gestating and labor-based projects. This will include

farm to market roads, secondary and feeder ports, communal irrigation, drainage and rural electrification. Social infrastructure such as water supply and schools will also be given importance. Priority will likewise be given to the maintenance of existing infrastructure to prolong their use and save on major rehabilitation and replacement costs.

To promote employment, NEDA also pointed out that the infrastructure program will extensively adopt such labor-based methods as the *pakyaw* or piecework system of contracting to local labor groups.

With regard to the national shelter program, the government is planning to invest P30 billion which will answer 626,870 housing units, or 39% of the total urban housing need of 1.6 million during the six-year period. The rest of the housing needs will be

supplied by the private sector, NEDA said.

Funds will be provided by the Social Security System, the Government Service Insurance System, Pag-IBIG Fund, budgetary allocations to shelter agencies, and a shelter sector loan from the World Bank.

For 1987 alone, the requirement for the construction of projected housing units is estimated at P4.1 billion. By 1992, the investment for housing will increase to P5.2 billion.

Of the total capital outlay, 58%, or P17.5 billion, will be used in the National Capital Region where the average housing cost per unit is P60,000. The allocation of urban areas in the other regions is placed at P12.5 billion which will support the construction

of 434,000 units at an average cost of P28,800 per unit.

CONCENTRATION.

Despite the serious housing needs in the rural areas, NEDA noted that government housing expenditures will have to be concentrated in the urban areas where the housing problem is more acute due to heavy immigration and the backlog in housing construction.

NEDA likewise explained that the national shelter program will have the following objectives: increase access to housing of lower-income groups; provide stable and affordable long- and medium-term financing for housing; encourage private sector participation; liberalize regulatory standards; and rationalize the informal sector's self-help housing efforts.

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CSO: 4200/329

PCGG EYES FULL CONTROL OF 38 COMPANIES

Quezon City BUSINESS DAY in English 29 Jan 87 p 11

[Text]

The Presidential Commission on Good Government (PCGG) is considering taking full management control of about 38 sequestered companies alleged to be owned or controlled by either former ambassador Eduardo Cojuangco Jr. or banana magnate Antonio Florendo.

According to a statement by the PCGG released yesterday, the move is being considered in order to prevent further dissipation of the assets of these corporations.

In a report submitted to PCGG deputy minister Ramon A. Diaz last Jan. 13, the commission's investigation and research department said the presence of fiscal agents in the sequestered companies "cannot really guarantee the prevention of dissipation of assets" in these companies.

"The most that the fiscal agents can do is to

'post audit' financial transactions out of whatever papers the companies' officers may opt to pass to the agents," said PCGG director for investigation and research Col. Feliciano A. Cruz Jr.

It was not clear whether or not the PCGG had concrete indications that assets of these companies were in fact being dissipated through illicit means.

In any event, the matter has been referred to the commission's legal department for further study.

Among the questions that have to be sorted out is the legal basis on which a PCGG takeover of these companies can be effected. PCGG spokesperson Abelardo Mojica said yesterday that it would be necessary to reorganize the boards of directors of these companies before a management takeover

can be implemented.

The boards of directors can be reorganized by the commission by exercising the voting rights of the sequestered shares. This was the method employed when the PCGG took over management control of the United Coconut Planters Bank and when it reorganized the board of San Miguel Corp.

Mojica added that the matter has to be closely studied because the commission "does not have the technical men needed to exercise full control and management of these companies."

The PCGG has not disclosed which alleged Cojuangco and Florendo companies may be taken over. The Jan. 13 memo of the investigation and research department mentioned the case of the Florendo-owned Tagum Agricultural Development Corporation.

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CSO: 4200/329

BUSINESSMEN: COUP ATTEMPT GENERATED SUPPORT FOR GOVERNMENT

Quezon City BUSINESS DAY in English 28 Jan 87 p 3

[Article by Ma. Victoria Gochoco-Perez]

[Text]

The attempt yesterday by some military elements to wrest control of some military camps and television stations was "half-baked" and ironically served only to generate more support for the present administration, businessman Raul Concepcion said.

Concepcion, president of appliance maker Concepcion Industries, Inc., said in a *Business Day* interview that if the aborted coup was intended to delay the plebiscite set for Monday or to win "no" votes on the proposed Constitution, it was a failure.

It "backfired" such that those who had been undecided on how to vote on Monday would now very likely vote to ratify the draft constitution if only to achieve political stability, he said.

Rejection of the draft constitution in effect would be a vote of no confidence in the Aquino government, Concepcion said. In that event, the opposition will be standing on "firmer grounds" in its argument that Ferdinand Marcos is still the legitimate president under the 1973 Constitution, he said.

Concepcion said he was not entirely in favor of the draft constitution because it relegates industrialization to a lower level than he felt it deserves, but added its ratification is called for to establish political stability that is essential to sustain the economic recovery so far achieved.

"A balance must be struck between idealism and pragmatism," he said. Although he conceded that political stability may merely be a short-term reason for a "yes" vote to the draft constitution which, if ratified, will be in force over the long-term, Concepcion cited "enough flexibility is allowed because the legislature will come into place and enact the laws."

"If you look at the draft constitution, the arguments against it are not really on what is there but more on Aquino's term of office and on the fact that she appointed those who drafted it," he said. "These are vital issues, but at this critical stage we should go over the substance rather than merely the legal and the form."

Concepcion said that if the draft constitution is ratified, then perhaps Aquino can become more decisive in dealing with threats to the stability of her government. At present, Mrs. Aquino "can't force herself too much because this thing (the constitution) is hanging. With a mandate from the people on Feb. 2 she can do a better job," he said.

On the aborted coup attempt, Concepcion said the exercise was half-baked otherwise the rebel soldiers would have "undertaken a real coup and brought in the tanks."

"And if the whole idea was to win sympathy for the 'no' vote, it was a failure because we saw that nobody was responding. . . If the whole exercise was to gain sympathy, it was not successful."

Concepcion said foreign businessmen in the country likely saw yesterday's military exercise "more seriously" than Filipino businessmen themselves who have "grown used to these things."

"From their (foreign businessmen's) point of view, it's just more stability that we need," he said.

US BUSINESSMEN. The American Chamber of Commerce of the Philippines, Inc. through its executive vice-president J. Marsh Thompson, affirmed such a sentiment when asked for a statement.

"We are hoping that things will settle down," Thompson said through spokesman Leo Gonzaga. Other sources in the chamber, declining to comment on the draft constitution, claiming that "as guests in this country we cannot give any verdict," said the chamber believed that its ratification would contribute to stabilizing the Philippine environment for foreign investments.

A source in the chamber said its members are used to tense situations in other countries where they are involved as investors, and therefore were not alarmed by yesterday's events. All they want is a climate of "certainty" for investments over the long term so they can plan their business moves accordingly, the source said. "All they want are clear ground rules and they believe they can have this if the new constitution is ratified."

Dr. Benjamin V. Lozare, director of the Government Information Office, said yesterday's events have only stressed in people's minds that Aquino is "very much in control and has managed the crisis very well so far." He said the aborted coup attempt was part of a "systematic pattern of destabilizing the whole situation and did not just happen by accident."

He also noted that although the military was on red alert only a couple of days ago, the coup attempt was undertaken because Metro Manila "is so big you cannot possibly have a perimeter defense all over the city." Especially when troops are involved, the takeover of a television station "is not exactly a difficult thing to achieve," Lozare said.

If Mrs. Aquino had appeared very soft on those who would destabilize her government, this is true no longer, he said. "She put it very well. She said 'there is a time for reconciliation but there is also a time for justice and retribution'," Lozare said.

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CSO: 4200/329

VOTERS SAY FEAR OF INSTABILITY DROVE PLEBISCITE APPROVAL

Bangkok THE NATION in English 3 Feb 87 pp 9, 10

[Article by Ruben Alabastro]

[Text]

MANILA — They came in cars, in jeeps, on foot, in pedicabs, on horse-drawn carts. Some rode up on bicycles and one, a nun dying of cancer, came in a wheelchair.

In a massive human surge to the polls, Filipinos voted yesterday on a new constitution they hope will bring political stability to a nation battered by coup plots and military revolts.

The vote also could decide the fate of President Corazon Aquino's year-old government.

One said she voted "yes" to keep deposed President Ferdinand Marcos out of the country. Another said she voted "no" because she wanted Marcos back as the nation's ruler.

Most voters interviewed by Reuters said they voted yes or "oo," the Tagalog word for yes.

The nun said she wanted to vote for the constitution so she would be ready to die.

In Manila's Tondo slum quarter, voters swarmed to cast their ballots in dingy schoolrooms.

On the other side of the city, in the luxurious Forbes Park district, millionaires in sports clothes and their wives with their jewels queued up in long lines, right next to their maids.

"It's hope that brought them here, hope that finally we'll have peace. They also want to give the government a chance," said Sister Carmelita, one of scores of Benedictine nuns who came out of their convents to act as volunteer poll guards and make certain nobody cheated.

Another nun, Sister Kristina, said the mutiny staged last week by about 400 soldiers loyal to Marcos may have helped bring the massive vote out.

"I think they believe their ballots can fight bullets, wherever the bullets will come from," she said. "These people are the equilibrium holder. They hold the balance."

Sister Kristina said one of their superiors, Sister Margaret Mary, 68, was too sick for poll duties and had to be brought in a wheelchair to a precinct near the Benedictine convent so she could vote.

"She is dying of cancer," Sister Kristina said. "She is an ardent admirer of Cory (Aquino) and she said if she could only vote today, she was ready to die."

Across the city, in Tondo, 31-year-old street hawker Zenaida Solis had a different reason for voting "yes." Her vote was a plea for peace.

"If I didn't vote yes, there might be trouble and Marcos might come back," Solis said. "I don't want any more troubles."

Monina Gementza, 22, who works as a private company security guard, said she was for "yes" because she was afraid a no vote would bring political instability and benefit communists. "I don't want communists to take over this country," she said.

Jun Silva, 27, one of Tondo's thousands of jobless youths, voted "no" because he said he thought "Cory is a puppet of Americans."

"I want Marcos back," said Carmelita Juco. "Do you see that chapel there? It was Marcos who built that. That's why I voted no."

Joseph Regis, 36, has rooting out empty cans and scrap iron from a pile of garbage on a roadside near his hovel. His hand was stained with the indelible ink poll workers put on every voter's forefinger to prevent multiple voting.

"I voted yes because I want Cory to give me a piece of land," Regis said. He said he had been in the city only for seven months, having left his hometown in Cebu to look for a better life.

"Now I live on garbage," he said. "I wished I hadn't left my hometown." — Reuter

COLUMNIST SEES AQUINO STRENGTHENED BY CRISIS

Quezon City BUSINESS DAY in English 29 Jan 87 p 5

["Bottom Line" column by Gaby Manalac: "Thriving on Miracles"]

[Text]

A friend of mine called at 7 o'clock Tuesday morning to tell me that military elements had taken over Channels 7 and 9 and some key armed forces installations.

That must have been a good five hours after Nanang Sepa disappeared from her Heart Center suite about 2 o'clock that morning. Did she know about the impending coup attempt, or was it strictly coincidence?

GOOD AND BAD GUYS. Almost a week before that, National Democratic Front Peace negotiators Satur Ocampo, Tony Zumel, and Bobby Malay suddenly vanished from the Metro Manila scene and abandoned their office at the National Press Club. Did they also know about this latest coup attempt?

It seems as though just about everybody, except me, knew that something was brewing. Well, that is not surprising any more. Fortunately, the good guys in the military found out early enough about the attempted coup and successfully rounded up the bad guys who tried to take over Camp Aguinaldo and Bonifacio, Villamor Air base, Sangley air station, and several TV channels. And then again, maybe the good guys were just lucky even if they had not known about it as early as Nanang Sepa and Satur and company.

SECONDARY. However, if the good guys were a bit surprised themselves and were not able to nip the coup in the bud, it might have been for the better as far as President Aquino was concerned. It was something a political doctor might have ordered, a diversionary drama that shifted the public's attention away from the carnage at Mendiola last Thursday.

Had the coup been nipped before it was physically attempted, then President Aquino might still be desperately trying to prove to her countrymen and the entire world that she was not the author of that Mendiola massacre. Of course, she is still not off the hook, but the Mendiola incident has become secondary and her government's effort to survive an actual coup is now the country's primary concern.

STRONGER NOW. Mrs. Aquino's opponents may have thought that the Mendiola incident and the attempted coup would topple her government or abort the plebiscite, but they may have another possibility to consider: The coup could have canceled out somewhat the Mendiola incident and instead of shaking the Aquino government, it might actually have strengthened the President.

After all, a military coup is always a frightful prospect for the simple reason that generals may be good in battlefields but do not necessarily make good civilian governors. The military is oriented toward eliminating the enemy and if that is carried

over to civilian government, the results can become quite messy, and bloody.

REVERSE EFFECTS. Thus, if Mrs. Aquino survives this coup attempt, then she really might just emerge a stronger leader. The coup was a here-and-now reality which affected the entire citizenry while the Mendiola incident, savage as it was, did not evoke real violent prospects for the populace. It was something that problems would have to resolve. But a coup could change a national way of life and could make a big difference for every individual in this country.

Moreover, it is quite possible that the visions of further political instability brought about by a military coup could have worked in favor of

the new constitution's ratification. It is easy enough now for those who were frightened by a military takeover to conclude that such a prospect would not have been possible at all under a constitutional government, and that it might therefore be best to ratify the new charter however defective it might be.

ANOTHER MIRACLE. Either one of those incidents, Mendiola or the coup, could have been fatal for Mrs. Aquino's government. But the timing and the combination of the incidents somehow might still have balanced off each other, and Mrs. Aquino could assume once more the image of a political savior.

Mrs. Aquino seems to thrive on miracles.

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CSO: 4200/329

WE FORUM APPLAUDS AQUINO ACCOMPLISHMENTS

Quezon City WE FORUM in English 19-25 Jan 87 pp 2, 5

["Founder's Notes" by Jose G. Burgos, Jr: "Democracy at Work"]

[Text]

Somewhere in this issue, is a photograph of a street in a Northern Luzon town over which hang two separate streamers that depict two starkly contrasting viewpoints.

One advocates the rejection of the proposed Constitution, while the other is all-out for the "Yes" votes in the February 2 plebiscite.

The photo is quite revealing. It tells us that the Marcos regime has ended, and the Aquino government has begun. It is a true portrait of the conditions today and those of yesterday. More importantly, it reminds us about the vitality of freedom and democracy.

Under the unlamented Marcos dictatorship, such streamers would not have any place anywhere, especially in the so-called "Solid North." For

under any form of dictatorship, dissent is anathema. Subservience and conformity are more likely the rule. If we were still under the grip of Marcos, and a plebiscite about to be held, the mere raising of hands would suffice and any opposition to the dictator would surely be verboten.

Critics of President Aquino has simply closed their eyes to this reality... that freedom — and often-times, irresponsibility — is a commodity within the easy reach of every Filipino.

The intensifying campaign for the "Yes" and "No" votes clearly illustrates the beauty of this freedom under President Aquino, and the ugliness of dictatorship under Marcos.

The tale of the streamers are retold practically in other provinces and cities where the critics of Pres-

ident Aquino are having a field day proclaiming their hatred and biases against the Chief Executive. The openness in which they go about their de-stabilization drive can be nauseating but then, that's how democracy truly works.

BUSINESS DAY COLUMNIST URGES AQUINO TO SHUFFLE AIDES

Quezon City BUSINESS DAY in English 30 Jan 87 p 5

["Bottom Line" column by Gaby Manalac: "Easier With Practice"]

[Text]

The past two days, friends would invariably ask me how the situation was, as though I had an inside track on what was going on and should therefore share with them some words of wisdom. I suppose the common impression is that columnists are expected to know at least something about everything, probably because they always seem to have an opinion on just about everything under the sun.

Well, I did rise to the occasion and had a ready retort whenever I would be confronted with such a question. I am not worried at all, I would say with aplomb. After all, the stock market reacted with an upswing on the morning of the futile coup and 90% of issues traded were gainers. So who should worry.

DISCOUNTED. While I may have sounded as though I were trying to be clever, perhaps there was something to what I said after all. Stock market traders and investors are a very sensitive lot and when they act with optimism at the height of an attempted coup d'etat, then they have probably already discounted the negative effects of that misguided caper.

In other words, when the market turned around from a three-day slump to an upswing, it was merely saying that it did not think that the attempted coup was a serious enough threat and that the military was in control of the situation.

COMPOSURE. It was also an expression of confidence in the leadership of President Aquino and in her ability to handle the situation. Not too many days ago, on Friday last week and Monday this week, the market was on a downswing partially because it was a bit of overheated and also because it got a bit nervous about the Mendiola carnage last Thursday.

However, when the massive follow-up demonstration last Monday wound up peacefully, the market regained its composure, again because it must have perceived President Aquino as being in control of the situation. And the market obviously sensed that the coup attempt last Tuesday was really an intra-military affair which could be effectively contained.

SUBTLE MESSAGE. But a more subtle message that the market was relaying was that it probably expected constitutional ratification come the Feb. 2 plebiscite. In effect, what the market did was to antici-

pate a buying surge that would be stimulated by optimism which would come about with a constitutional ratification. Thus the trading upswing earlier this week.

Of course, all that optimism in the market is purely speculative but it does reflect a business perception of what is going on and what is yet to come. And it therefore goes without saying that such optimism is certainly not a permanent condition. While the market has shown a very strong bias for optimism, that will only last for as long as President Aquino's government is perceived to be stable and the economy to be progressing steadily, even if not spectacularly.

NOT ENOUGH. Thus far, the Aquino government has managed to fend off threats of destabilization from a number of sources, including the military, Marcos loyalists, and the insurgents. It even managed to contain the three-year economic downslide and last year just about broke even on its first attempt at political and economic management.

But that may not be enough to sustain optimism. Surviving one crisis after another may eventually erode public confidence in government. After all, the next crisis might just be its last and as this kind of

apprehension grows, optimism and confidence will slowly evaporate.

PRACTICE. It will therefore not hurt President Aquino to reevaluate at this time the effectivity and efficiency of her team. If government has been too busy trying to survive a series of crises, then there could be something fundamentally amiss with the composition of Mrs. Aquino's team. The clamor for change in her government has been consistent and has not let up. Corruption, ineptitude, and weakness toward communists have been recurring sore points, and while the President has attempted a bit of political surgery to minimize these weaknesses, it was just not enough.

I am convinced that Mrs. Aquino is emerging from all these crises, especially the last two, with more strength and confidence. She had already tasted blood, so to speak, when she sacked four of her ministers and later the entire Pagcor management. If she looks back on those decisions, she may find that they were not too painful experience after all.

Perhaps Mrs. Aquino should be assured that head-chopping really gets easier and easier with practice.

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CSO: 4200/329

JALANDONI DISCUSSES NDF'S INTERNATIONAL TIES, REPUTATION

Quezon City NATIONAL MIDWEEK in English 21 Jan 87 pp 3-5, 43-47

[Interview: Luis Jalandoni, NDF International Representative, by Benjamin Pimentel Jr., conducted 20 Dec 86, no location given: "The European Connection"]

[Text] Luis Jalandoni belonged to one of the biggest landowning families in Negros before joining the Christians for National Liberation (CNL), one of the major member-organizations of the National Democratic Front (NDF). He is also a former priest. His work with the sugar workers and peasants exposed him to the bitter realities in the country's premier sugarproducing region and eventually convinced him of the "justness of the national democratic program."

In 1976, he left for Europe with his wife Consuelo Ledesma, who belonged to another prominent family in Negros. Together, they helped build a network of international solidarity committees in Western Europe in support of the NDF cause. They returned with their ten-year-old son last December, shortly after the start of the government-NDF ceasefire.

Jalandoni, 51, is now the NDF international representative and will serve as consultant to the NDF panel in the ongoing peace talks.

In an exclusive MIDWEEK interview last December 20, Jalandoni talked of how he joined the NDF, the reputation the revolutionary movement has gained in international circles and his views on the peace negotiations.

First of all, could you tell something about yourself and the work you do for the NDF?

I worked as a Catholic priest in the diocese of Bacolod in Negros Occidental. I was the social action director for the diocese. From 1969 to 1972, our work brought us in close contact with sugar workers as well as peasant settlers up in the mountains of Negros.

There were then a lot of landgrabbing cases against the peasant settlers and our office gave assistance to them. One big case was the landgrabbing case in Cadiz involving Armando Gustilo and the town mayor, a Gustilo follower. We went to the aid of the 40 settlers, the victims of landgrabbing. We exposed

the landgrabbing case and filed cases against the mayor. This angered Armando Gustilo very much. There were many other such cases of settlers whose lands were taken over by big landowners and big bureaucrats.

We also began organizing the peasants so they themselves could defend their rights. There were also many cases where the sugar workers fought for better wages, as in Victorias Milling where there was a six-month-long strike. Students and clergymen supported the workers in this case.

It was in the course of these involvements that I got more and more politicalized. The theology of liberation and the national democratic movement, which was growing stronger throughout the country, also helped in my development. Fr. Ed de la Torre sometimes came to give lectures and these helped raise the level of our analysis. In 1972, when the Christians for National Liberation (CNL) was formed, I joined and formed the Visayas chapter of the CNL. In August 1972, when the first national assembly of the CNL was held, I was elected to the national executive board.

When martial law was declared, soldiers came to arrest me, but I was able to elude arrest. I went underground and continued with my work. I was arrested in 1973 and detained in Fort Bonifacio for almost a year. I was released in 1974.

You come from an affluent landlord family. . .

(Smiles) Yes, my family is of the big landowning class in Negros. The Jalandonis have extensive sugarlands. But my work as a priest brought me in close contact with sugar workers and peasant settlers and, in the course of implementing the social action program of the Church, I got into conflicts with big landlords and big politicians. In the course of such conflicts I lost a lot of my friends from the landowning class and gained a lot of friends among the sugar workers and peasant settlers in the mountains and on the picketlines where I spent a lot of time. I became alienated from the elite in Negros to which my family belonged.

How many are you in the family?

I have four brothers and a sister.

And you are the only one who took the "road less travelled by?"

Well, actually, my sister Lourdes has been very supportive of my involvement with the peasants and sugarworkers. While remaining a hacendera, she has been giving us very consistent support. She is also involved in the women's organizations here in Manila. She has become part of the progressive struggles here in the Philippines.

Can you tell more about how you got estranged from relatives and friends as a result of your involvement?

A lot of relatives, uncles and aunties, cousins, said that I was taking too radical a position and that I was threatening the stability of the sugar industry. After a while, I felt out of place in the parties of landlords. At social gatherings where the question of the sugar workers' wages and the rights of the peasants came up, I defended the position, demands and rights of the sugar workers. One time, there was a heated argument and the party broke up. I had to tell a cousin, "I'm sorry, but I just couldn't stand listening to the antagonistic positions against the sugar workers taken by some at the party." Well, after that, I became more and more out of place at social gatherings of the landowners. But then, I became more and more at home at social gatherings, meetings and festivities of the sugar workers and peasants. They often invited me to their birthday parties or the wakes and burials of their loved ones. I became more and more at home on the picketlines and in the homes of these workers and peasants.

Did this politicization become a very natural process for you or did you experience doubts and dilemmas? You were a member of the clergy when you joined an organization which recognizes armed struggle as one of the means of achieving its goals.

Well, I got integrated with the struggles of the sugar workers and peasants. I saw the justness of their cause and the tremendous amount of suffering they were undergoing and also the solidarity among themselves and the beautiful qualities they had in helping each other in difficult situations. But for a long time, I remained a reformist and did not really got for the option of armed struggle.

One particular incident changed by mind and that was the strike in Bais. The workers were on strike because of the minimum wage which was, at that time, 4.75 a day. Most of them were getting only P2.75. They were fighting for a two-peso increase. There were around 13,000 workers out in the streets demanding this. They had been driven out of their homes by the landowners.

From Bacolod I went by bus to Bais, a nine-hour trip. I arrived at six in the mornig and had some coffee with some of the strike leaders and sugar workers. We went to the picket-line where around 120 workers were picketing two tractors of the landlord. Five security guards hired by the landlords dismantled the small huts that the workers had built along the road as shelter against the sun. The sugar workers protested and put up the huts again in defiance of the security guards. Two guards threatened to shoot the workers with their shotguns. One of them fired into the air. The other guards started firing at the picketters. We had to jump into a canal to avoid their shots. But the guards still came at us and we had to run and jump from one canal into another. But they still kept shooting and we had to run into the sugarcane fields.

After the guards left, we came back to the picket site and picked up the wounded. One was hit in the head and the other in the leg and neck. I drove some of them to Dumaguete. That night, we discussed what we should do next.

On the way back, I reflected on the experience. I thought the sugar industry seemed very peaceful when you looked at the fields. But it hid a lot of violence. When the workers rose up to demand their rights, the violent nature of the sugar industry was exposed. It was only two pesos a day that the workers were demanding. It was very just. Why should they be shot and killed? What they were demanding was so little compared with the tremendous profits that the landlords were making.

While I was there in the canal avoiding the shots, I said to myself, "My God, the sugar workers and peasants also need their own armed force in order to counter this brutal and violent force that is being used against them."

This was in 1971, when I felt that the armed option on the side of the oppressed was also important. Other reformist measures were not enough. The oppressed also needed some form of armed protection in order to pursue their just demands. Essentially the same experience was repeated on other occasions which witnessed the tremendous use of armed violence used against the peasants. I began to feel sympathetic toward the New People's Army which, at that time, was beginning to be known for its protection of the peasants.

How did you actually join the NDF? Who recruited you?

The youth, the students who were involved in the social action work of the Church, started discussing with me the national democratic program. I was convinced that this program, after so many experiences of reformist attempts, was the correct program that was needed. I felt that, although this program would be very difficult to carry out, it still represented the correct road. In my case, it was like climbing a mountain, going through different paths and, after a while, I realized that I had been taking the wrong path. There is this other path that appears to be much more difficult, steeper and filled with more rocks, twists and turns and yet is the path worth taking because it will lead you to your destination.

Later, I also had some discussions with some church people and I decided to join the CNL. That's when I formally joined the NDF.

What did you do when you were already in the underground right after martial law was declared?

The first task we had was to organize the underground committees because, to a certain extent, we were not that prepared to work under martial law. We had to contact people and organizations who had shown a lot of sympathy or had been involved in organizing the sugar workers and peasants. Some were underground and some were aboveground. We contacted them in order to organize various committees, to set up some sort of network to enable us to continue our work. We had to contact some organizations in the mountains and in the towns and cities in Negros. I had to go to the mountains to contact peasant groups and hold discussions with them. We also had to counter the disinformation campaign being waged by the Marcos regime. We decided to come out with an underground newspaper. We had great difficulty at the start just looking for paper and facilities. But we were able to come out with, at

first, a four-page paper and, later, an eight-page one. We called it Phimakas or "Struggle" and it is still coming out today as a revolutionary paper in Negros.

Did you join the armed units of the NPA?

No. At that time, the armed units in Negros were still in their embryonic stage. The first units there were developed in 1973. I did what I could to assist them, like joining discussions of the situation. I also helped provide contacts for them in the mountain areas and various forms of assistance.

How were you arrested?

When we were found out, the underground house in Bacolod we were staying in was surrounded by quite a number of soldiers. This was in 1973.

Were you tortured?

No, but I was interrogated non-stop for 27 hours. The interrogation caused a lot of difficulty for me because for 27 hours I had to be very alert so as not to give any information which they could use against other people in the movement.

Was there ever a time, especially when you were already under detention, when you weakened or began to doubt the worth of all the sacrifices you were making?

Fortunately, because of the strength given by other political prisoners who came from different parts of the Philippines and who shared experiences and actually tried to give encouragement to all those who were in prison., I was able to remain strong. There were some moments when I experienced difficulty or boredom, but these were quickly overcome because of the example of other political prisoners who were very committed. I saw very young people, seventeen, eighteen and nineteen years old, and heard of their many experiences and sacrifices. These helped strengthen me. The justness of our cause also helped firm up my commitment. So, you might say, the time I spent in prison was also a period of strengthening.

When were you released and why?

I was released in August 1974 after about a year in prison. Actually there was a campaign to get prisoners released. There were some progressive church people and bishops who exerted pressure on the Marcos regime to release us.

What did you do after your release?

I started working with the Church Labor Center (CLC) which was undertaking educational and organizational work among industrial workers in Metro Manila. I worked there as education director. We had some seminars involving church people and industrial workers. At the end of April 1974, the Bukluran was formed, an alliance of independent unions. On May 1, there was a Mass where

around 500 workers came. The Bukluran became an important alliance in developing the workers' movement after the declaration of martial law. In October 1975, the CLC assisted the 515 daring La Tondena workers when they launched their 44-hour sit-down strike. This strike had a big impact on the resurgence of the workers' movement. It was followed by more strikes in November and December. On November 24, there was a march that was fairly big at that time. About 5,000 workers came and we marched to Plaza Miranda. At that time, such a march was already considered daring. This was followed by a much bigger demonstration on December 6, when US President Ford came. We tried to march to Malacanang, but we were blocked. We then went to the city centers. That rally broke the ice for bigger demonstrations. Soon after, I learned that the military was going to rearrest me. So my wife and I went underground again and continued working with the National Democratic Front. Later, in 1976, after discussions with other members of the NDF, it was decided that international work would also be important. We decided that I should leave secretly and start doing international work in Europe.

How would you describe the kind of work you did in Europe?

A lot of the work is information work. We try to reach as many groups as possible who could support the NDF and the Filipino peoples struggle. These would be groups of workers, peasants, youth and students, women, non-governmental organizations (NGOs) and the Peace Movement.

We conducted info seminars and gatherings. Later we set up solidarity committees so that these could continue the work of giving information and getting support from various countries. In some areas, there were already independent initiatives by foreigners who had gone to the Philippines and wanted to do something and who had responded to the calls of people's organizations. We linked up with them to expand our network.

Do you also raise funds for the NDF?

That is part of it. These various solidarity committees work not only to get political support, but also material support like humanitarian aid for victims of militarization and hamletting or for political prisoners and their families. Some open bank accounts and ask people to contribute to a fund for political prisoners and children of workers who have been thrown out of work. In the main, these are modest but are still important.

What is the extent of the support for the NDF in Europe?

The people in Western Europe, to a certain extent, have an anti-fascist tradition because of their experience under Hitler. In Greece, they experienced fascist repression up to 1974. Because of this tradition, they had great sympathy for the Filipino people's struggle against the Marcos dictatorship. There are also fairly well-organized Left-wing forces in Western Europe. These have also shown sympathy for our struggle. There are also strong workers' movements and trade union organizations in Western Europe, as well as the women's movement and the Peace Movement which are sympathetic to our struggle against nuclear weapons and the US bases in the

Philippines. The ground is, to a certain extent, rather fertile in Western Europe. In 15 countries, there are functioning solidarity committees in various degrees of consolidation. Some are much more organized than others.

There are also international nongovernmental organizations like the International Association of Democratic Lawyers and the International League for the Rights and Liberation of Peoples, the Permanent People's Tribunal and the World Council of Churches, which have shown their support. There are also several political parties that recognize the NDF as a legitimate national liberation movement.

Can you name some of these parties?

There is the Pacifist Socialist Party in the Netherlands which is quite active in the Peace Movement. In December 1981, they decided to recognize the NDF and to give their political and limited material support. Then there is the Radical Progressive Party, also in the Netherlands, which has also recognized the NDF. In Greece, the ruling party, the Pan Hellenic Socialist Party or Pasok, has been giving open political support to the NDF and the Filipino people's struggle. They sent us a message expressing support for the NDF's 100-day peace proposal.

In quite a number of countries, the NDF has been invited for conferences and discussions with political parties and some government institutions. This is short of recognition, but it shows they respect very much how the NDF views the situation in the Philippines. Some ask for proposals or suggestions with regard to various aspects of their relationship with the Philippines.

The Permanent People's Tribunal, which has 60 international personalities, held a session on the Philippines and, applying international covenants and documents and standards, indicted the US government and its major agencies for their aggressive and oppressive policies in the Philippines. It condemned the Marcos regime as grossly abusive of the Filipino people and declared it not really fit to govern. They recognized the just struggle of the Filipino and Moro people. They recognized the NDF as a legitimate representative of the Filipino people and the MNFL as a legitimate representative of the Moro people. They also called on the international community to give their support for the Filipino people's struggle.

How has the ascendancy of President Corazon Aquino affected the international prestige of and the support for the NDF? I gather that much of the support the NDF received was because of the unpopularity of the Marcos dictatorship. But now we have a very popular president.

To a certain extent, it is true that some of the support we got in Western Europe came because of the brutality of the Marcos dictatorship. However, there were also quite a number of groups and organizations who, over the years, understood that the struggles of the peasants, the workers, students and other sectors were based, not only on the brutality of the dictatorship, but on fundamental problems that existed in Philippine society. So, they understood the need for land reform as demanded by the peasants. They

understood the demands of the workers. Where this education or information had reached a more comprehensive level, they understood that the ouster of Marcos did not mean that all the problems had been solved. Despite the ouster of Marcos, the fundamental problems remain. There is still US domination, the problem of the peasants, the US bases.

Quite a number of our friends in Europe ask what form their solidarity should take now. In fact, in Holland, there was a session where 120 people came to discuss the new situation in the Philippines. The question they asked was: "What form should our solidarity take now?"

For quite a number of forces, especially those who were supporting mainly on the basis of the struggle against the Marcos dictatorship, the principal questions concerned the present situation in the Philippines, the analysis of the NDF regarding the Aquino government and how the relationship with the Philippines should be handled. New questions came up and it was realized that there was a great need to hold discussions with these various organizations.

All of them rejoiced at the ouster of the dictatorship, but many of them also knew that there were holdovers of the Marcos regime still present in the Aquino government. So there are still many who have questions about Ponce Enrile, Fidel Ramos and Jaime Ongpin in relation to US policies. In a sense, the Marcos ouster posed a big challenge to us to provide deeper and more adequate information about the situation.

Would you say that support for the NDF decreased or was maintained?

In general, you might say that among the groups with more anti-imperialist orientation and also other groups with which our information and education work had been more effective, there was no real decrease. With the groups that gave their support later and mainly against the Marcos dictatorship, there was a decrease. They would now rather give their support to the Aquino government or they do not see the need for continuing activities on human rights issues.

However, quite a number of groups to which the human rights situation was explained, that there were still many political prisoners and cases of hamletting and disappearances, saw the need to continue supporting our struggle. So the decrease among human rights groups has been made up for through more information and discussion about the human rights situation in the Philippines.

As a whole, the impact of the February uprising has been positive. The Filipino people have become much more known in Western Europe. There is tremendous admiration for the Filipino people. I met some journalists who said, "The Nobel Peace Prize should be awarded to the Filipino people." The people's victory over Marcos was positive but it also brought with it the tremendous challenge to the NDF and other democratic and anti-imperialist organizations to intensify information work, to disseminate updates on developments and analyses of the situation.

There was also the matter of disinformation from the United States and reactionary forces in the Philippines. For example, there were reports of NPA attacks while the peace negotiations were going on. Our friends in Europe asked us about these reports and we informed them that (former) Defense Minister Enrile and General Ramos had ordered massive militarization in the rural areas and that the NPA was implementing a policy of active defence. The media covered only the NPA attacks but not the massive militarization. So, we had to provide this information.

How is President Aquino viewed in Europe?

Generally, she is viewed in a very positive light. First of all, most of the political forces were very happy that the dictator was ousted. Marcos had been isolated internationally and the change was considered very positive. The liberal reforms Mrs. Aquino has implemented and the appointment of progressives to her Cabinet were also regarded positively.

However, later events raised some questions. For example, her asking the entire Cabinet to resign was interpreted as yielding to the military's pressure. This did not go well with a number of West European forces which firmly believe that, in a republican democracy, the civilian authority should assert its supremacy over the military. So the apparent military pressure on Mrs. Aquino and the resignation of the Cabinet made the Europeans think that Mrs. Aquino's government was not so stable and what she did was not the correct procedure or principle in a democracy. There are also other forces which are critical of her giving in to the IMF-World Bank policies like import liberalization. They see no firm step to achieve economic growth and try to lessen the pressure or impact of World Bank policies. Others point to the lack of a clear program of land reform. These would be the anti-imperialist groups.

You mentioned the Cabinet revamp as being viewed negatively in Europe. But what about the firing of the highly unpopular Defense Minister Enrile which was viewed here as a decisive and strong move of the President?

Well, I was surprised when I read the headlines of various papers. It was seen as a political victory for President Aquino when she fired Enrile. The asking for the resignation of the whole Cabinet also hit the headlines and in the way it was reported, you could see that certain questions were being raised. For example, the very popular LE MONDE newspaper in Paris headlined: "Mrs. Aquino is forming a new government, according to the wishes of the Army." I also listened to the BBC broadcast and certain questions were raised, like why the military has so much power to be able to exert such pressure. You see, for people in Western Europe, for a new government like Mrs. Aquino's, which is trying to gain stability, to ask for the resignation of the Cabinet was quite jarring. They would not have been too disturbed if only a few Cabinet ministers had been changed. As it was, it appeared to them the purge was the result of heavy pressure from the military. In many European countries, it is simply unthinkable for the military to have such power over the civilian government--so much so that the military could review the list of cabinet positions.

What about the murder of Rolando Olalia? How was that received in Europe?

The murder of Olalia was also very much projected. It was in the headlines of most of the newspapers. In the European Parliament, which was in session when the murder of Olalia was reported, 44 members signed a resolution condemning the brutal murder. Quite a number of organizations like the Hellenic League, even the Minister of Education of Greece, expressed condemnation and great alarm at the brutal murder.

Against whom was the condemnation directed?

It was directed against the militarist elements in the Aquino government. It is also important to point out that the massive demonstration on the day of Ka Lando's burial also had a strong impact on Western Europe. It was noted that the demonstration was the biggest since the Aquino funeral. The Western Europeans also noted that the demonstration was very organized and that most of the flags and streamers were red showing the strength of the Left in the Philippines. It also showed the strong resistance against the resurgence of fascist tendencies in the Philippines. Many workers' organizations in Europe took note of this and they expressed solidarity not only with the workers' movement but also with the overall Filipino people's struggle.

Do the Europeans know about the Kilusang Mayo Uno (KMU)?

Well, KMU is quite well-known in Europe. Rolando Olalia went around various countries in Western Europe. Ka Bert, his father, had in 1982 gone around seven countries in Western Europe. For example, Ka Bert went to Dublin and spoke before the Irish Trade Union Congress and got the support and recognition of the Congress for KMU. So, the killing of Ka Lando sparked even greater European solidarity for the trade union movement here in the Philippines, specifically for KMU.

During the preliminary talks before the ceasefire between the NDF and the government, the Aquino government expressed apprehensions about the NDF gaining a status of belligerency in the talks. Would you comment on these apprehensions of the government?

Well, I think the Aquino government should not be apprehensive because the NDF has not made any proposal about gaining a status of belligerency, which is not on the agenda of the NDF. But, you see, a belligerency status is not just a question of whether there is an agreement between the government and the NDF. A belligerency status is governed by internationally recognized factors. When these factors are present, internationally political forces or forums could make a declaration that there is a status of belligerency for a group in a certain country.

Like what factors?

There are many factors. One is whether a force involved in armed conflict challenging another government has control over a considerable portion of the

territory, like 20 or 30 percent. Another is if it has mass support or has organs of public administration in their controlled territories taking care of health, education and other services. Another is if it has a disciplined army. I think it is also required that the force or movement must have a uniformed army which observes internationally-recognized humanitarian laws and conventions of war, like taking care of the wounded or humane treatment of prisoners. When these factors are present, internationally political forces, even without the request of either party, can declare and bring to bear that there is a status of belligerency.

Is the NDF considered a belligerent force among the Western European nations?

Right now, not yet. But already there are prestigious organizations, like the Permanent People's Tribunal, which recognizes the NDF, not as the sole representative, but as a legitimate representative of the Filipino people. Such organizations are predisposed to say that the NDF is a political force with a disciplined army that could very well be granted belligerent status. Belligerent status would mean that if there are NPAs captured in encounters, they would have prisoner of war status. Then the International Red Cross and other such groups can come into the picture. So I would say that from the way the NPA and the other NDF organizations have been conducting themselves, there are factors which would make these international organizations support the move to grant such a status of belligerency for the NDF. Most probably, they would first want to send delegations to visit various areas in the Philippines, to have a deeper assessment of the situation. I think different international forces would also consider that necessary.

The ceasefire has been implemented but there is now an ongoing propaganda war between the NDF and the government. Many say that the NDF is winning in this battle. How does it look from our end? How do the Europeans view the ceasefire, the sincerity of both groups and the prospects for a lasting peace in the Philippines?

We still have to make a thorough assessment of all this. But the initial impression is that of a very positive projection of the NDF and the NPA, especially last December 7 and a few days after the start of the ceasefire last December 10. You see, on December 7 and 8, it was widely projected in the media in Europe that, as declared by the military, it would conduct patrols in NPA areas and disarm the guerrillas. It was also widely projected that the NDF took pains to save the ceasefire agreement by asking for an emergency meeting to hammer out a compromise agreement that would be acceptable to both sides. This was widely projected as a very positive and very strong effort of the NDF to save the ceasefire.

Then on December 10, the peace rallies that were held in different parts of the country were also seen as open support for the New People's Army. For example, the rally in Bacolod was shown on television. There was a report that the NPA was welcomed with cheers and confetti by tens of thousands of people, with women fighting their way through the cheering crowd to embrace

Nemesio Dimafilis, the NPA commander in the province, and other underground officials. Satur Ocampo was also featured during the rally in front of the Manila Cathedral where he read the NDF agenda for peace.

A lot of people in Europe were really rooting for the success of the ceasefire.

So would you say that the position of the NDF has been strengthened internationally with the ceasefire?

Yes. The events I mentioned had a very positive effect on the projection of the NDF. The ceasefire, I think, is viewed in Western Europe as a political victory of both the NDF and the Aquino government. For the NDF, its strength has been more clearly seen in the few days after the start of the ceasefire. This was seen by the international public and contradicted very much the disinformation campaign which projected the NPA as ruthless and undisciplined. It showed very much that the NPA is a people's army, much loved and supported by the people.

Does the NPA adhere to international humanitarian laws of war?

Well, I talked to one international lawyer and he said that the NPA observes all the international humanitarian laws of war. One example is the NPA's practice of giving medical treatment to captured soldiers. They also do not maltreat these soldiers to whom they just give some lectures before releasing them. They don't take any of the latter's personal effects, except military equipment. The NPA avoids encounters or ambushes in populated areas to avoid inflicting casualties on the civilian population. They avoid damaging public utilities. So this international lawyer said that the NPA is clearly observing, clearly and demonstrably the international humanitarian laws of war.

But there have also been reports of NPA "atrocities" like the mass graves of alleged deep penetration agents in Mindanao and other cases. Many questions have been raised about the so called revolutionary justice being meted out by the NPA in the countryside.

Well, when the NPA undertakes procedures of punishment, I still believe that these in the main, could be justified under conditions of war where not all the formal processes could be observed. Although I know the NPA does not just mete out capital punishment that quickly. It usually undertakes a very thorough investigation of the complaints that come up. Only those who have committed very serious offenses and caused great harm to the people, like loss of lives would be considered for punishment. There are also committees set up to investigate these cases. There are warnings given to the offenders. But, I think, it would be all right for the NDF to say that these policies could still be reviewed and improved upon.

But we know that there have been military units that have been purportedly sent to sow confusion by pretending to be NPAs and committing abuses against the

people. This was done in the 1950s. So we would want a thorough investigation of these alleged mass graves.

You were out of the country for the past ten yers. How do you feel now about the national democratic movement, its strength and development, considering the recent mistakes it committed like the boycott of the snap elections and also the recent developemnts under the new situation?

Well, first of all, I am very happy to directly experience, feel and see the developments. I have been here for just a short while, so I still have to feel it out. Well, just knowing about the very big mobilization during Ka Lando's burial made me realize the tremendous advance in strength and organization of the progressive movement compared with ten years ago. In 1976, it was difficult to mobilize 10,000 or 15,000 people. Wheras now, the mobilizations have reached hundreds of thousands. And there are also the peace rallies like that in which 50,000 participated in Bacolod, and the many welgang bayan. It's really a tremendous advance.

I know it took a lot of painstaking work over the last ten years. There have been many martyrs and people put in prison and I guess that was the price for this development. So I would say that, in spite of the admitted mistake of the boycott, we can point to this long record of struggle and achievements. I hope that while I'm here, I will be able to experience it more. In the rural areas we have already extended our programs in health care, literacy and land reform in the NPA areas. The NPA itself has grown. All these are tremendous achievments. Now, there are also new arenas where the NDF can engage in, like the ceasefire and peace negotiations which are very important. There are also openings in the parliamentary struggle. The situation has become much more challenging, but the growth and achievements of the movement have been very impressive indeed. As I said, the price must have been high in terms of martyrdom, imprisonment and torture.

Were there people close to you who have died in the struggle?

Ah, yes. There was a young girl, a medical student, who was very good in integrating with the peasants. Her name was Ofelia Cania. She was from Negros and I knew her quite well. She was executed by the military in 1973. There was also Puri Pedro, who was killed in 1977. There was Caloy Tayag, who disappeard on August 17, 1976. Herman Lagman of the Student Christian Movement and a lawyer for the workers, who disappeared in May 1977. There was Ed Jopson with whom I worked in 1975 and 1976. He was killed in 1982. I was quite close to these people.

While I was abroad I always felt very concerned about those who were here with all the dangers that they faced, torture and even death. The Escalante masscre, I felt very much because of my identification with the sugar workers' struggle. When we learned of Ka Lnado's murder, we felt it very much in Europe. There were some people who were so affected they could not eat or sleep for days. These martyrs made it possible together with others to reach this stage. Their inspiration will continue to strengthen me.

What was your purpose in coming back?

I will be serving as NDF consultant during the talks.

Will you be a member of the panel?

I don't know yet. But most probably, I will be an NDF consultant to share some of the points on the international aspect with the NDF panel.

How long will you be staying here?

Maybe four or five weeks. I have to go on with my work in Western Europe. And there are various organizations out there awaiting more discussions on the situation in the Philippines.

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CSO: 4200/332

AUSTRALIAN DETAILS NPA LIFE, INTERACTION WITH BICOL VILLAGERS

Sydney TRIBUNE in English 26 Nov-3 Dec 86

[Article by Denis Freney: "An Eyewitness Report of Guerrillas and Peasants from the Mountains of Bicol"]

[26 Nov 86 pp 8, 9]

[Text]

Last month Denis Freney spent ten days with the New People's Army (NPA) in a barrio (village) in the Bicol region, some 500 kilometres south of Manila. Bicol is a peninsula, some 300 kilometres long and 80 kilometres wide at its widest point. Mountain ranges and hills cover much of the peninsula, particularly facing the Pacific Ocean.

Bicol has a population of 3,500,000 and much is "NPA country". Over three-quarters of its 2,000 villages have been reached by the NPA, which is now strengthening its presence in the cities and towns of the region.

In this first article, Denis Freney gives his impressions of the NPA and their connection with the peasants. In future articles, he will examine the history of the revolutionary movement in Bicol and its problems and perspectives, in part as a microcosm of the struggle throughout the Philippines today...

Ka Maria was waiting at the rendezvous point to take me into the hills to meet the NPA. A few hundred metres down the narrow path through the coconut palms and undergrowth, she pulled a .38 pistol from the waist of her jeans and held it at the ready.

She turned and asked if I was ready for a stiff two-hour walk. Overweight and out of condition, I told her with little conviction that I was.

Some 20 minutes later she announced she had a "nice surprise" a little further down the track. Soon we came on a peasant's hut in a clearing. A dozen young people were waiting with M-16s, M-14s and pistols slung over shoulders or propped up in or around the hut.

Ka Maria was herself in the NPA, but a member of a Semi-Legal Team (MLP) which works in the "white areas" still not organised by the NPA. The MLP are armed only with handguns, usually concealed in their jeans and covered by a t-shirt.

Ka Maria and her comrades ("ka" is an abbreviation of the Tagalog word *kasama* which means comrade) carry out social surveys in the white areas, prepare reports of the social structure of barrios or towns, pinpoint the specific problems of the poorest sections and sow the seeds of mass organisation among the peasants or workers.

After making this initial contact, their work is taken over by Armed Propaganda Units (SYP) which intensify political education and organisation, building a strong organisation among the peasants who begin then to put their own demands on the landlords for a reduction in land rent.

After the SYP have done the basic work, the Armed Consolidation Units (PPT) take over. They deepen even further the organisation of the landless peasants, until the

whole village is "consolidated". Informers are warned several times, then if they persist, they are either expelled from the barrio or executed.

Consolidated barrios

In a consolidated barrio, the NPA can move around freely, in the sure knowledge that the peasants will alert them to any movement of the military along roads near the barrio, before they face any threat.

The NPA unit would then move on to another barrio and the peasants greet the military with a friendly wave and a professed ignorance of any NPA activity in their peaceful village.

The NPA comrades in the camp were dressed in a wide assortment of t-shirts, jeans and the inevitable thongs. One woman comrade even sported a Marcos election t-shirt one of those handed out free by Marcos in the 1985 election campaign!

Only a few had any clothing resembling a military uniform. Ka Willie who had just turned 18 and had joined the NPA two years previously did have a military jacket he had captured from a soldier in an ambush.

But he would not have it for long, as such clothing is sent to the fully-fledged mobile guerrilla platoons or companies which are the striking force of the NPA.

The NPAs were indistinguishable--except for their arms--from Filipinos seen every day in the barrios and towns. The reason is simple--in the big majority they were the sons and daughters of landless peasants, with a sprinkling of ex-students and those who came from middle peasant or worker families in the towns.

Ka Maria came from a nearby town and was one of the few who could speak English. But soon Ka Alexander emerged from one of the interminable meetings that were held during my stay with the NPA.

He was the "old man" of the unit--he had joined the Nationalist Youth (KM) while a student in a city in 1970, during the mass upsurge known as "the First Quarter Storm." In 1973 he had gone to the guerrilla zones in Bicol. He had remained there for the past 13 years. He was 36 years old.

I was to spend the next six days with Ka Alexander discussing the history of the NPA in Bicoland and getting a very detailed briefing on how the NPA works and the problems that remain.

It was soon lunchtime. We sat down to a meal of rice, pork and delicious spinach-like vegetables cooked in coconut milk. The pork was a pleasant surprise--I'd been warned that I'd see little meat on the menu with the NPA.

But Ka Alexander had officiated the night before at a wedding of two comrades and a pig had been butchered as a special treat.

Gentle Good Humor

Over lunch I asked Ka Maria why she had "promised" a stiff two-hour walk to the camp. It was a joke, she explained. The camp rang with laughter continuously throughout my stay, from a gentle good humor that even penetrated into the passwords that were organised in case of a surprise enemy attack.

When at sunset it was decided to have a night march to another barrio as an extra security precaution, the password for challenge was "mango" and the response... "too big," referring to me!

Ten days with the NPA dispelled any image of grim-faced, brutal, gun-happy guerrillas, as painted by Enrile's military and their friends such as the Australian Dr John Whitehall. (See letter, p 13.)

The night march showed that Ka Maria was not entirely joking when she had promised a hard march. We climbed up and down steep hillsides, sometimes off the track cutting through the coconut and other palms, but mostly along tracks turned slippery and muddy by the previous night's rain.

By the end, even some of the comrades from the semi-legal team were complaining, while I was reduced to clambering up some parts off the track on hands and knees. The more seasoned comrades skipped lightly up the tracks with heavy loads on their backs.

After an hour we arrived at a more substantial peasant's house where another NPA unit was already stationed. We totalled over 25 at this point. After dinner with rice, greens and the remainder of the pork we slept on thin mats on the floor and any other available space.

But before we slept the modern digital transistor radio belonging to Ka Alexander was turned on to get the news from local radio stations--and the enemy's Voice of America! While waiting for the news, younger comrades bopped to Beatles music coming over the radio--hardly fitting into the image of the "New Khmer Rouge."

The next morning we rose at dawn and after breakfast took turns at washing ourselves and our clothes at a pool some 100 metres from the house. Soon clotheslines outside the house were strung with dozens of pieces of clothing. The NPAs are meticulous in their personal presentation and cleanliness, sometimes changing clothes twice a day if engaged in some physical labor.

An excellent bush toilet had been constructed in such a way that flies found it difficult to enter and any health problems kept to a minimum. Yet health problems are among the more serious problems facing the guerrillas as they are for the peasants.

Stomach ulcers are one of the most common and serious illnesses. The cause is easily understood: the guerrillas, like the peasants, subsist on a poor diet of rice or cassava and vegetables. Meat is at best a monthly luxury, while milk and other dairy products are virtually unknown.

Even fruit is not a common part of the diet, while there is an excess of sugar consumed from the cane which grows everywhere. Not surprisingly, dental problems are also widespread. And while alcohol is unknown among the NPA, most of them smoke like chimneys.

Their diet means no-one actually starves, although on Negros and other hard-hit islands, starvation does exist.

But the guerrillas' poor diet is sometimes broken by periods of real hunger, when they

have little or no food while moving away from military offensives. Combined with the tension they live with at all times, this makes stomach ulcers a real concern. Even an 18 year old guerrilla, Ka Albert, had one.

There are no doctors in the barrios, while even in the towns there are few. The NPA uses traditional herbal medicines, which are grown in gardens around every peasant house. They are effective for minor complaints but more serious cases must be taken to the towns and cities for treatment, often at high cost. The same applies to wounded NPA.

The NPA applies very strict rules to its relations with the peasants. Not even a thread is taken. It is for the peasants to offer food and other material or for the NPA to buy it from them.

Ka Alexander explained the obvious truth: the NPA is fighting for the interests of the peasants and workers. The NPA itself is composed in its vast majority of landless peasants.

If they in any way antagonise the peasants or act arrogantly towards them, then the peasants would turn against them and the military would wipe them out. Certainly, the NPA units I accompanied were absolutely dependent on the peasants in the barrio, not only for food and shelter but also crucially for intelligence about military movements.

The peasant's house was to be our home for the next six days. Comrades from various units came and went, delivering reports which would be typed up on a heavy and battered typewriter, to be sent on to regional party or NPA office.

Meetings and discussions took place endlessly, preparing plans or solving problems. Peasants came and went with their problems and security reports.

Young comrades had borrowed a guitar from a nearby peasant's house. Music hummed out continuously, ranging from revolutionary songs to pop songs, mainly of the sixties and early seventies, which, as I remarked, dated the birth of the NPA itself...

Self-Defence

The units I met were not mobile guerrilla units but from the various semi-legal, propaganda or consolidation teams. Their weapons were essentially for self-defence, although occasionally they would join in an ambush or eliminate a notoriously brutal military officer or criminal.

Ka Alexander explained: "Our propaganda units and for that matter our fully-fledged guerrilla units do not fight when the enemy wants them to. We choose the time and place when we attack. The enemy knows we are everywhere but they only see our shadows."

Talking to the guerrillas, it became clear that most of them had seen no military action even though most had been three to five or more years in the NPA. It was a tribute to their security based on their massive popular support.

Our house was on the outskirts of a consolidated barrio which I shall call Diosmabalos (which means "thank you" in the local Bicol dialect). On my last three days with the NPA we wandered from house to house through the barrio, interviewing peasants and staying in their homes.

On Side

We went up the "main street" with comrades carrying their M-16s over their shoulders in the midday sun, past the church, schoolhouse and community centre. We greeted the peasant "tays" (fathers) and "nays" (mothers) and their numerous kids as we went by, and passed the houses of the middle peasants with a friendly wave, all in the knowledge that even the baranguay captain appointed by the government was on side.

Ka Alexander was a leading cadre of the Communist Party of the Philippines in the unit and the district, but was not the NPA commander of the unit.

The unit commander was Ka Henry who had joined the NPA at the age of 31 after working most of his life as a tenant farmer for a landlord.

He had been five years in the NPA and seen some action. He spoke no English and had only a basic elementary school education. He and Ka Alexander had no special privileges. Ka Henry was only in supreme command in an actual military confrontation. All other decisions were taken collectively.

There is no saluting in the NPA and no ranks except for that of the unit commander. Ka Henry's other major responsibilities were to draw up rosters for cooking, washing up, fetching water and keeping the camp tidy as well as allocating guards and patrols around the camp and collating intelligence reports.

The rosters involved everyone--although I noticed that Ka Henry seemed to do more than his share of sweeping up the cigarette butts and other rubbish around the house!

The rosters were shared by men and women equally and there were no signs of any male chauvinism--which surprised me, as in the traditional peasant society women bear an inordinate burden.

The NPA is of course an army. In the units I met there were almost equal numbers of men and women. However, in the actual fighting units there are few women because, the NPA say, of the enormous extra demands placed on them in terms of constant long marching and fitness.

Human contact

Only married couples slept together, but there were plenty of love affairs going on among "sweethearts", and more marriages were scheduled. And there was plenty of touching and human contact among all the comrades.

The units I stayed with were remarkably free of any tension. They formed one big happy family. Perhaps the good-humored joking, which spared no-one, including Ka Alexander and Ka Henry, provided the necessary safety valve. But more decisive was the absolute dedication of all comrades to the cause for which they were fighting.

In Diosmabalos barrio, "before the comrades came" in 1980, the villagers had been terrorised by a gang of five criminal elements. In one case they had tied up a husband and raped his young wife repeatedly before their children.

In another, they had hacked the arms and legs of a peasant who resisted their efforts to steal his crop, leaving deep gashes which required long and expensive hospital treatment. They had also chopped off three fingers on one hand of his 13 year old son — who today is in the NPA.

The baranguay captain had proved powerless to arrest the gang and so the peasants asked the NPA to carry out justice. The gangleader was executed and the other four fled the barrio and province.

Today, two elderly *nays* told me there was no crime in the barrio. Before the comrades came in 1980, "you couldn't even leave your washing on the line" for fear of it being stolen!

Even in the units I was accompanying, a security lapse occurred. On my last night we moved to a neighboring barrio, closer to the road, to facilitate my departure. A few younger comrades had gone ahead and selected a peasant's house for our stay overnight.

I was surprised at the peasants who were to be our hosts. The children were lice-ridden, malnourished and poorly clothed. The wife was skin and bone, while the pups which are normally healthy in every other house I had visited were mangy and one near death.

Nowhere had I seen such poverty and neglect, and I thought that the family had been selected precisely because they were the poorest of the poor.

As we waited for the comrades to finish cooking dinner, two peasants arrived from the barrio. They immediately went into a huddle with Ka Alexander and the temporary unit commander. (Ka Henry had gone off elsewhere.)

Urgent talks continued by torchlight outside the house and comrades began to pack. I thought that the military may have been sighted near the barrio.

Finally Ka Alexander took me aside: the peasant *tay* whose house we were to sleep in had been given three warnings by the peasants' militia as a suspected informer. The comrades who had arranged our lodging had not consulted the barrio's peasants committee before choosing the house!

The neglect in the household reflected the fact that they were not organised and lacked that self-pride I'd witnessed elsewhere.

After a hurried dinner, we set off on another hour-long night march. But the comrades were meticulously polite to the peasants whose home we were evacuating, paying for anything they had used and cleaning up before they left.

It was a subdued and grim-faced group that marched that night.

The mood was not helped by the loud chorus of barking from the multitude of dogs protecting each peasant's house we marched by. I'd earlier been told that "even the dogs are organised in the barrios" because any military sneaking up for an ambush at night would be greeted by an uproar of barking.

That night it seemed to me that someone should have told the dogs that we were *kasama*!

Fortunately it was a reasonably easy march as it had not rained for several days. Finally we reached a small peasants' house in which we quickly went to sleep without the usual round of joking and music.

In the middle of the night, the house's dogs erupted into a fury of barking. Comrades grabbed their rifles and scattered around the house, reinforcing those on guard duty, while I desperately tried to remember the passwords for that night!

After much whispering and a few cocked guns, it was discovered that the intruder was a wandering water buffalo which had very nearly ended up as the next week's meals...

No military appeared that night or the next day. But I gave silent thanks to the vigilance of the peasants of that barrio.

[Article by Denis Freney: "The Long Haul for the New People's Army--Near Disaster in 1974--Preparing for Power in 1986"]

[Text]

In last week's Tribune, Denis Freney reported on 10 days he spent with the New People's Army in the Bicol region of the Philippines in October. More than 3,500,000 people, over 70% of them peasants, live in Bicol. In this final article he examines the history of revolutionary movement in Bicol, and why it has grown so rapidly in the past six years to have such widespread support and control.

Much is made by the reactionary media of the NPA "taxation system". It is portrayed as "extortion" of the peasants. Ka Alexander, my informant in Bicol, strongly denied any such charge.

In barrio Diosmabalos, the organised peasants pay 50 centavos - about four cents - a month plus a pannikin of rice, as their membership dues. From time to time they would feed a passing unit or give other food if they could afford it.

A tax is imposed on landlords who are asked to contribute a maximum of 10% of their nett income. This tax is lowered for landlords on lower incomes, or who support in other ways. In Bicol, most landlords pay the tax. Only a few are anti-NPA or "despotic", Ka Alexander said.

The NPA also asks those peasants who have received free land through the efforts of the organised peasants' movement and the NPA to pay a minimal "tax" of two percent for poor peasants, to three to five percent for the middle or rich peasants.

But Ka Alexander stressed that payment of this "tax" was voluntary and use of coercion to collect it was absolutely forbidden.

Cardinal rules

Any coercion of the peasants would violate the NPA's cardinal rules of how to deal with the people, which are very strictly enforced. Refusal to use coercion in relations with the peasants and workers is - among other things - a matter of survival, as the NPA is totally dependent on their support.

Similarly, middle and rich peasants and small businesspeople are asked for contributions but not taxed as such. No coercion is used.

Ka Alexander said there were cases of "shortcomings" in applying the NPA tax policy to peasants who benefitted from land redistribution.

"In some districts where there was a shortage of funds, they upped the tax from two to four percent, leading to hardship among the masses. But the regional leadership soon corrected this."

Ka Alexander did grumble about a few peasants in Bicol who had got land through the efforts of the NPA and organised peasants, but made no contribution, but he rejected with horror any suggestion that they should be forced to pay.

Multinationals

Unlike other parts of the Philippines, almost no multinational agribusinesses operate in Bicol. But there are the usual multinationals supplying consumer goods from Coke and Pepsi to the tobacco companies, drug companies and so on.

"Their profits come from the exploitation of the people", Ka Alexander said. "We could paralyse their operations if we wanted to, but the people would be affected if we did so."

"So we demand a tax from them, depending on their nett incomes. We investigate their assets, profits and so on, to get the right figure. We're just beginning this tax policy here. We've put some demands on multinationals and some companies are actually now negotiating with us."

"Some have offered a little - which adds up to a bribe. They think they can deal with us like they do with the military to whom they pay bribes. We've told them that we're not interested in bribes, but a real tax levy!"

After the national democratic revolution, all US multinationals will be nationalised. Those of other countries (such as Australia) will be dealt with on an individual basis in negotiations, Ka Alexander said.

Although these various "taxes" do mean some income for the NPA, "the great majority of our funds in cash and material come from the generosity of the basic masses" - the poor peasants and workers, Ka Alexander stressed.

Ka Alexander provided me with a fascinating insight into how the NPA guerrillas live. Each guerrilla is supplied with two sets of clothes, although those who go regularly to towns or "white" areas are supplied with a third set of "decent" clothes to allow them to merge with the townspeople.

When necessary, each guerrilla is allocated eight pesos (64 cents) a day for food, although the smaller units can often depend on the peasants to feed them. Three pesos a day is allowed for the guerrillas' one vice--cigarettes--enough for one cheap packet.

One regular cake of toilet soap and half a bar of clothes soap are allocated each month, along with 25 millilitres of toothpaste. One flashlight is given to every third comrade, while there is at least one transistor radio per unit as a minimum, along with necessary batteries.

In addition guerrillas who have families to support, particularly among fulltime units, are paid a family allowance of 500 pesos (\$42) a month, while a medical fund also exists.

Gifts

Individuals in the NPA are allowed to keep gifts given by close relatives up to first cousins. But any other gifts from their extended families are pooled and their distribution

decided collectively on the basis of need. Similarly, gifts left by visitors such as myself are distributed by collective decision.

As clothing and much of the food comes from the peasants and other allies, it costs about \$500 a year to maintain an NPA guerilla in the field, outside the cost of weapons and ammunition.

If that is multiplied by the 800 to 1,000 NPA members (not all armed) in Bicol, then the basic total budget is something like \$400,000 to \$500,000 a year! And that covers only four

provinces, out of the 48 in which the NPA is active--which brings the total and very basic national NPA budget to well over \$5 million a year!

The first members of the Communist Party of the Philippines (CPP) came to Bicol in 1970. There were only ten of them, nearly all students from Manila and the cities of Bicol. Most of these pioneers are now dead, although a few remain with the NPA in Bicol.

With very few weapons among them, they concentrated on propaganda work among the peasants deep in the mountains. Their words fell on fertile ground.

After martial law was declared by Marcos in September 1972, their numbers were swelled by other students and city folk who fled repression and carried through the CPP policy of concentrating its forces on building strong bases among the peasants in the countryside.

By the third quarter of 1974, over 2,000 peasants were organised in the underground peasants' movement in 230 barrios, covering 20 municipalities. Well over a dozen armed propaganda units existed, while there was one regular guerrilla platoon in Sorsogon province.

Disastrous

But the rapid progress from 1970 to 1974 led the NPA and CPP leadership to make a disastrous error. They decided to form a "liberated area" in part of Sorsogon province, copying the Chinese model where, after the Long March, a liberated area was set up in the isolated north-west.

But the Philippines is not China. In an archipelago of some 7,000 islands, there is no area that the Philippines military, backed with the formidable modern air and sea power of the USA, cannot reach.

When the NPA signalled it was setting up a liberated area and sought to exclude the military from it, they drew the full force of the military on themselves.

The organised peasants were brutally uprooted and put in strategic hamlets. The liberated area became a free-fire zone, to be bombed and napalmed at will. The NPA were cut off from the peasants, a food blockade instituted and man-hunts swept every cranny in the area.

Many could not resist the pressure. Some leaders turned traitor, pinpointing the location of their former comrades and persuading others to surrender.

Wiped out

The NPA was virtually wiped out, while its networks in the nearby towns were rounded up. The effects even reached Manila, where in 1975 and 1976 the CPP suffered its most severe setback since the mass arrests following martial law in 1972.

The "clean-up" extended to Camarines Sur province, where the military had earlier begun massive operations. In late 1975, the remnants of the NPA and CPP from Sorsogon and Camarines Sur regrouped in Albay province, where the first NPA unit had been formed only in December 1973 and had escaped notice from the military.

The Bicol party organisation in 1975 lost contact with the national CPP leadership. It was a critical time for the revolutionary movement not only in Bicol, but throughout the country.

The NPA and CPP in Bicol drew conclusions from the Sorsogon experience which were also drawn nationally from a few other similar experiences.

The critical lesson was that once the organisation of the masses in one guerrilla front had reached a certain point and armed propaganda units and some fulltime guerrilla units had been formed, then part of them should move to new, "white" areas and a new guerrilla front opened.

By so spreading their forces, the NPA would force the military to spread their forces.

When the military concentrated forces in one guerrilla front, in an attempt to repeat their Sorsogon success, the NPA units there could move into another quiet guerrilla zone, while elsewhere the NPA could launch attacks to force the military to divert some of their forces.

And because of the security established in the barrios, the organised peasants could hope to escape detection. Moreover, the military would be unable to apply the policy of strategic hamlets effectively, because they would have to do so in thousands of barrios - an impossibility for even the fascist Marco regime.

There were of course setbacks, particularly in the years from 1976 to 1980, when the guerrilla fronts remained relatively small. But the new NPA strategy overall was a huge success. In Bicol, by 1980, there were some 4,000 organised peasants in 173 barrios, covering 14 municipalities.

In 1981, the CPP in Bicol held a six-months-long congress to sum up their experiences from 1970 to 1980. Connections with the national CPP leadership had been re-established and the overall national reappraisal was fed into the debate.

Other lessons were drawn: before 1974, the NPA had actively led peasant negotiations with landlords for cuts in land rents. This led the peasants to become somewhat passive, seeing the NPA as "Santa Claus" (in Ka Alexander's words).

It was decided that the organised peasants should do all the negotiating, with the NPA only intervening if the landlord was "despotic" and called in the military or goons to repress the peasants.

Landlords

Before 1974, the NPA had also sometimes demanded that landlords take only 10% of the harvest from the peasants, which led to landlords reacting violently and siding with the military. Many small and medium landlords could not afford such a low rent.

Now the organised peasants closely study the landlords' incomes and adjust their demands accordingly.

In barrio Diosmabalos, for example, they first won a cut in land rent to 50%, then to 33% and recently to 25% from an absentee landlord. On each occasion the landlord had agreed.

The NPA and CPP also now take a more flexible attitude to landlords and rich peasants. Although all land will be distributed free among the peasants who till it after the national democratic revolution, small and middle landlords generally and even big landlords will receive compensation, depending on the role they play now and in the future.

They will be encouraged to use this compensation to begin industrial enterprises, or invest in such enterprises begun by the state.

This is attractive to many landlords, whose incomes have suffered greatly because of the fall in agricultural export prices on the world market. The result today in Bicol is that most landlords are "neutral" and not anti-NPA while a minority are "allies" and actively help the NPA.

Only a few are "despotic" and actively support the military. The same applies among businesspeople in the towns and cities.

Ka Alexander said there were no "warlords" with private armies in Bicol, unlike the situation in Mindanao and other islands.

The military in Bicol is composed of troops recruited in other provinces and implanted like an army of occupation. They run criminal gangs and extortion rackets against local peasants, landlords and businesspeople alike. If not for their presence, I got the impression that the NPA could take control of the whole province without much difficulty.

This extraordinary situation reflects the particular social and economic picture in Bicol, which has little big industry and few agribusinesses. But it is also a tribute to the united front tactics of the CPP and NPA and of other member organisations of the National Democratic Front (NDF).

Unity is built with virtually anyone willing to join the revolutionary forces in such a front, at different levels from around the most minor single issue to the most advanced, represented by the NDF itself.

The result is an extraordinarily complex network of organisations, legal and illegal, on every conceivable issue.

Consolidated

In Bicol today, the guerrilla fronts are contiguous--the NPA can now move from one end of the peninsula to the other, passing through consolidated barrios. About half the barrios in Bicol are organised while three-quarters have been "contacted" in one way or another.

In reality, the NPA is now "consolidating" barrios on the coastal plains and carrying out attacks along the main highway linking Manila with the region.

In the towns and cities of Bicol, armed partisan units have existed since 1981. In fact, most of the semi-legal teams are now merging into the partisan units in the cities, towns and plains.

Over half the armed guerrillas in Bicol are now in fulltime mobile guerrilla units. There are three companies with between 60 and 80 guerrillas in each and several platoons. Their function is to carry out "tactical offensives" and ambushes against the military.

The formation of guerrilla companies has brought the struggle to a new level. Companies require much more in terms of supply, logistics, co-ordination and a centralised command than do the smaller decentralised units. The NPA is now being "regularised," not only in Bicol but nationally.

"Strategic Stalemate"

A member of the NPA general staff told me later that the proportion of fully-fledged guerrillas in Bicol was about "average" for the NPA elsewhere--in other words some areas have a higher proportion of mobile fighting units.

In Bicol, the NPA is now preparing for the formation of battalions, as a step towards entering the sub-stage of "strategic counter-offensive," which in turn would be a prelude to the stage of "strategic stalemate."

The NPA has been careful however, not to progress too fast in a single region--the lessons of 1974 are still vivid. The move to company-size units was co-ordinated nationally so that no one region could be targetted by the military. Similarly, the move to battalion-size units will be nationally co-ordinated.

The 5,000 plus military and paramilitary stationed in Bicol outnumber armed NPA guerrillas. If measured against the fully-fledged guerrilla companies they outnumber them by about 30 to one.

The military can still move into any barrio, if they put enough forces into the field, and can be expected to upgrade its airpower. At the moment, it has only two helicopters in the region, one of which was recently hit by the NPA.

In Manila and in the cities and towns of Bicol and elsewhere, the NPA is busily "consolidating" the slums and working class areas, house by house, street by street. While the semi-legal teams partisan units follow the pattern that has been so successful in the countryside, they do so with an urgency dictated by the political situation.

This urgency is dictated by the possibility of a fascist coup and the need for an urban insurrection in response, mobilising on the scale of the February events which overthrew Marcos. In Manila, the revolutionary forces are far from ready for such an uprising, but in

other cities, including in Bicol, they are much more prepared.

The quiet but feverish organisational work among workers and the urban poor is paralleled by enormous efforts to organise among the "middle forces" - the professionals and middle class, the small and medium business people, the "opinion makers", the church, including the hierarchy, media workers - among any forces who are not unequivocally aligned with the reactionaries.

These "middle forces" are a numerically small proportion of the total population, but they play a role disproportionate to their size, particularly in the towns and cities. Those who cannot be won as "allies" at any of the various levels of the complex united front networks must be made "neutral" if any insurrection is to succeed.

Work among the "middle forces" is also seen as important after a victory of the national democratic revolution, or of a new coalition government of progressive forces and the revolutionaries around a program of a genuine land reform, national independence and industrialisation.

The difficulties of running a complex state apparatus and society, of democratising then purging them of corruption and grappling with the inevitable destabilisation and economic sabotage from imperialism and local reaction are daunting challenges.

"Middle Forces"

The support and enthusiasm of the "middle forces" for such a project would be essential for its success, while winning the "neutrality" of even layers of the ruling class would also be necessary.

It would be very difficult, for example, if the whole of the church hierarchy took the position it has in Nicaragua.

Not that mistakes are not made: the CPP and NPA are having widespread democratic debate over the "major tactical error" they made in calling for a boycott of this year's elections. That left them behind the mass upsurge which followed the widespread fraud that denied Cory Aquino electoral victory.

The correction of the boycott error has led to a renaissance within the revolutionary movement. Democratic debate is vigorous and uninhibited.

Just as the reactionaries attempt to paint the NPA as the "new Khmer Rouge" is the opposite to the reality, so too their efforts to paint the CPP as a narrow-minded "maoist" sect are totally contrary to the facts.

CPP leaders and rank-and-file impress with their openness to new ideas, methods and even "style". Dogmatism of any variety is shunned, while self-criticism is the rule, as the party grapples with new aspects of the struggle. Few parties are so well equipped to lead a successful revolution.

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NAFP PRESSURES REDEMPTORISTS OVER NPA FUNERAL

Cebu City SUN STAR DAILY in English 30 Jan 87 pp 4, 25

[Text]

Recom 7 authorities strongly denied yesterday a published report that new armed forces chief of staff Gen. Fidel V. Ramos rebuked the move seeking the expulsion of the Redemptorist community here for alleged Communist leanings.

The report, published in yesterday's issue of "The Freeman," said a "mild rebuke" was relayed by Ramos to Recom 7 chief Brig. Gen. Edgardo M. Abenina through a radio message.

In an interview, Capt. Inocencio G. Sanchez, Recom 7 spokesman, expressed surprise over the report, since the NAFP chief of staff merely asked for a progress report on the soldier's petition.

"General Ramos never chided or issued a mild rebuke, he only wanted to find out what happened after the petition was submitted to Cebu Archbishop Ricardo Cardinal Vidal," he said.

SENSATIONALIZING

Sanchez explained progress reports cannot be sent through the radio, as more details are needed and the Chief of Staff has already a copy of the petition denouncing the conduct of the Redemptorists for performing a concelebrated funeral mass to two slain Com-

munist terrorists, who also killed a soldier manning a checkpoint in Talisay early this month.

Sanchez admitted they have always been required to maintain good relations with the Church and constantly dialog with them, which has been faithfully complied with.

"I am afraid the reporter who wrote that story misinterpreted the radio message or simply wanted to sensationalize something," he said.

Sanchez said the petition submitted to the Cardinal initially contained more than a thousand signatures, but they are expecting 15,000 signatories all over the region and the signatories continue to pour in.

He revealed during the interview that Ramos recently commended Abenina for the fine way he had handled the Communist insurgency problem in the region.

"General Ramos, during their command conference, announced before the other field commanders that they should follow the example of Recom 7, which Abenina handled with dexterity and professionalism," Sanchez said.

He also disclosed the Chief of Staff ordered his field commanders to adopt the pattern or program of action utilized in Recom 7 to improve their own schemes of handling the insurgency problem in their respective commands.

VERITAS REPORTS ON NPA CHURCH SERVICE IN MINDANAO

Quezon City VERITAS in English 6-12 Nov 86 pp 21, 22

[Article by Orencio Corvera Jr.: "When 'Godless' Communist Rebels Go to Mass"]

[Text]

A RELIGIOUS rite for "God-less" rebels? There was no mistaking it. The activity which members of the Northeastern Mindanao Region of the National Democratic Front (NDF) attended at the end of their week-long conference the other week was a mass, a Roman Catholic rite.

Their songs were not the usual hymns and the terms used in their prayers, not so churchy. But the basic liturgical format was followed. True, the symbolic bread and wine for the Eucharistic ritual were not on the altar. In their stead were slices of *saging* (bananas) and *tuba* (coconut wine). To some, they may not have shown the same degree of piety that might be written on the face of a devout Catholic, Protestant or Muslim in moments of worship. But somehow, the rite was charged with a fervor and a solemnity that was unmistakably religious.

Officiating were two priests. Fr. Frank "Ka Migo" Navarro, a New People's Army (NPA) officer and one "Ka Teryo," a high-ranking local leader of the underground church organization, the Christians for National Liberation (CNL).

Venue? A chapel.

Gathered together in a barangay somewhere in Surigao del Sur

last month were leaders of the Communist Party of the Philippines (CPP), NPA combatants, delegates of the various sectoral underground organizations that helped set up the Northeastern Mindanao NDF Provisional Council, and a number of *masa*. Given such an unseemly gathering, dumbstruck observers could not help asking one another: Aren't these people supposed to be God-less?

Could the rite be no more than a propaganda ploy?

Jun Alcover, a Protestant pastor who claimed to be a former Communist member until he was "captured" by the military said the Communists are "masters of deception." He had sortied to Butuan City recently for an anti-communist campaign. Known to be deposed President Marcos' anti-Red campaigner and now Defense Minister Enrile's, he openly attacked the church for allowing itself to be used by the Communists. The Communists, he insisted, are Godless but "use the church to forward their cause." He hit the priests and the religious for not protesting and bucking the manipulation of the underground movement.

"I believe in the God of History, a liberating God," said Fr. Frank, the officiating priest who is, by his own confession, a member of the Communist Party.

"Not the kind of God whom rulers of nations want the world to believe," Ka Teryo, Fr. Frank's co-celebrant in that Mass added.

Ka Teryo explained that there were periods in history when God's name had been used by kings of empires in invading prospective colonies and enslaving peoples. In the Philippines, he cited the use of the cross during the Spanish colonization of its territories and enslavement of its inhabitants. He added that the United States which later colonized the country as well, perpetuated the same distorted image of God in the minds of the Filipinos. That the Americans did it is understandable, said Ka Teryo because the idea of God suited their exploitative system.

History, according to Fr. Frank, has always found God on the side of the poor and the oppressed. He cited God's siding with the Israelites against the Pharaoh of Egypt in the story of Moses. He added that God has become the moral and spiritual power of the Israelites in the bloody wars led by Joshua to regain Jerusalem. Fr. Frank continued that when the Saducees, the Pharisees and the Roman rulers used "God's distorted picture" to subjugate the people of Jerusalem, God sent his Son, Jesus Christ, to "give light" and take the side of the poor in their struggle for "total human liberation."

"When I joined the Communist movement," Fr. Frank recalled, "I had no fear of becoming godless one day. And if Communists are really godless, I will bring them God's presence."

"Inside the movement, I do not see any impediment to the practice of my belief," said the NPA priest. "The party even encouraged me to do my job as a priest."

The Mass Fr. Frank officiated was initiated by a leading party

official in the region who, as he explained, found the religious activity a fitting thanksgiving for the success of the formation of the NDF Provisional Council in Northeastern Mindanao. A belated report also said the Ka Migo had said Mass before the NDF negotiators faced government officials in Surigao del Sur for a dialogue last October 20.

The rebel priest admitted, however, that some party members doubt the existence of God. But he considered it normal, in the same manner that many Christians doubt God's existence at some point in their lives. "That's why there are priests and religious, the church, to remind everyone of God's presence," he pointed out.

A priest whose eight years in the "open" service were mostly spent in social action work with farmers, tribal workers and other sectors who are "poor, deprived and oppressed," Fr. Frank said he "had witnessed how the oppressors used the name of God in maintaining the unjust system of our society." When the military ordered his arrest after he joined an anti-imperialist rally in the province on July 4, 1983, he left his parish and made his decision: he would serve and propagate belief in a "revolutionary God."

"My realization was the result of a long process of reflections," the rebel priest said. "In my meditations I could not take that prevailing social order in the country (under Marcos rule) as God's will. God is not that oppressive."

He compared the condition of the country at that time to that of Jerusalem when the "revolutionary" Christ came to liberate the oppressed.

Referring to the present government he said, "New leaders are now manning the government but the old system is still persisting in almost all their endeavors for the country."

While supporting the Aquino government's call for a ceasefire, Fr. Frank also pointed out that there's still a need for arms. "The movement has to defend the gains of the revolution. Basic changes have yet to be fought for. Institute basic changes for the good of the majority of the people and we will voluntarily leave the mountains."

Ka Teryo, on the other hand, said that charges of being Godless could be a misleading issue in the Filipino people's struggle for liberation. Saying that the country is now in the grip of a global economic and political ruler which has been exploiting our economic resources and manipulating our politics to suit their exploitative end, he stressed that the issue is that "our people must be liberated."

"God will always be with His people," said *Ka Teryo*. --

/13104
CSO: 4200/332

LEFTIST WEEKLY HITS AQUINO 'SABER-RATTLING'

Quezon City NATIONAL MIDWEEK in English 21 Jan 87 p 1

[Editorial: "Saber-Rattling"]

[Text] One month into the ceasefire between government and insurgent forces, we get a sneaking suspicion that the hidden agenda behind it all is simply to provide an excuse and a justification for renewing, even intensifying, the counter-insurgency campaign.

Government negotiators in the ceasefire talks, for instance, have been insisting that the next phase of the talks--in which substantive issues are to be discussed, hopefully leading to a political settlement--must be conducted in the context of the draft Constitution. Note that this is a proposed constitution. It has not been ratified. That it is likely to be ratified does not change the fact that it is not yet, at this point in time, the fundamental law of the land.

To keep the peace talks within the parameters of a flawed document that is not yet in effect is, to say the least, strange. It looks like a proposition designed to be rejected by the other side; a maneuver to make the other side appear unreasonable and therefore deserving of annihilation.

The President, for her part, keeps restating that she wishes to lay the "moral basis" for unsheathing "the sword of war." Coming from one who is described by her disciples as a centrist and a moderate, such saber-rattling can be disconcerting. After all, throughout the long and brutal reign of the fascist dictatorship, centrist and moderates never tired of advising people to "exhaust all peaceful means" in the struggle against the martial law regime. And for 14 years (except for such occasional signs of impatience as the April 6 Movement and Light a Fire), they never really ran out of "peaceful means."

However, in dealing with the insurgency from a position of power, the patience of Job seems to have deserted the centrist leadership so early. Perhaps this is because its adversaries are no longer members of the same ruling elite, but foul-smelling peasants and slum dwellers who have been indoctrinated by Communists and have consequently become a bit too uppity. Imagine, having their own army and their own program of taxation! What do they think they are, a separate government?

Whatever the reason, the Aquino government seems to be girding for war. It has purged the Cabinet of troublesome ultra-rightists, suspected leftists and alleged bureaucrat capitalists; it has firmed up its alliance with low-profile, low-intensity militarists. Having consolidated itself, having, in other words, reestablished the status quo ante, the new dispensation apparently feels that giving peace a chance has now become a truly impossible dream--or an irksome formality to be dispensed with as soon as possible.

/13104

CSO: 4200/332

BAGUIO COLUMNIST ON SISON, VARYING POLITICAL VIEWS

Baguio City THE GOLD ORE in English 17 Jan 87 p 5

["Counterpoint" column by Peppot L. Ilagan: "Old Lines and New Forces"]

[Text]

THAT CHARGE by Jose Ma. Sison that President Cory Aquino is a puppet of the US government is sure to draw varied and rabid reactions from the many sectors of our society.

"This is nothing new," says my favorite poli-sci analyst, "Every president since Quezon has been branded by the Leftists as a 'puppet of American imperialism.' This is simply because to the Left, the Philippines has never been really independent — politically, militarily, economically, culturally — from US interests and control. To them our country and people are still a neocolony of the US which, within their political line, controls us as a cheap source of raw materials and manpower as well as a profitable dumping ground for their products. This neocolonial status, according to them, is maintained by continuing US intervention and manipulation of our political system. Thus, to the Left, Cory is a puppet of US imperialism."

An indignant housewife looks at it more emotionally: "It was President Aquino who freed the political prisoners, including Joema Sison. It was also she who sought and successfully got a ceasefire with the rebels. She was the one who gave them the freedom, the attention and prominence that they now enjoy. She is even being criticized as a supporter of the communists. She is being called a puppet of the Leftists. So now, how can it be that she is again being called a puppet of the Americans?"

A coffee shop analyst tries to be objective: "To the Left leaning and communists, what is happening in the Philippines continues to be a clash — a push and a pull for power — between the different classes and interest groups among our people. They see the present government, led by President Aquino, as the guardian of the present dominant interests, as a protector of the status quo. Of the Establishment. And to revolutionaries, the Establishment is always counter-revolutionary. This would mean that even the ceasefire and peace talks are actually measures to counter their revolution, to stop the changes that they want to bring about. The American government is to them the unseen hand that divides and rules. This means that the American government wants to dissipate the armed revolutionaries and thus do away with the greatest hindrance to their interests in the Philippines. But at the same time, the US government would want the Philippines to be unstable so that the interests of US businesses here and in the Asian area will be easier to pursue. So, to the Left, really, anyone who becomes president will be a puppet of American interests."

It has been really quite some time that we expected such a charge to be made. Even before the snap elections, in November 1985, the analysis in most cause-oriented circles was that the basic character of Philippine society will not change just

because somebody else would take the place of Ferdinand Marcos. This was because in the course of our history, it has been demonstrated that even the most popular presidents were not able to wean away the country from the dominance of US interests.

The Joema Sison now making the same charge against President Aquino is to us a qualitatively different Joema Sison who made the same charges against then presidents Macapagal and Marcos. Today, Joema is the leader of the Partido ng Bayan, a legal political party which is ready to join in the electoral contest. To us, this shift from "armed struggle" to "legal struggle", starts a new campaign to expose the Filipino people, especially the electorate, to the theories of the Left.

When Joema Sison and the Kabataang Makabayan launched what was then called "The Second Propaganda Movement" in the middle 1960s, the electorate and the youth were not as open to radical - and that is to say Leftist - analysis as they are now. Today, with the steady growth

of the CPP/NPA and the National Democratic Front, as well as many cause-oriented organizations, the populace has become made aware of the fact that the Left is definitely here to stay. The people are now more willing to listen to and analyze what was previously simply labelled and dismissed as "Communist inspired" or Red. They are now more confident to the point that they are willing to accept Marxist methods of analyzing their problems. And of course, those espousing Leftist views, given more freedom to advocate their opinions and expose their conclusions and beliefs, have become more adept in their explanations.

Our orientation towards democracy has in fact become more matured and objective among our people. This is good. For as we become more and more informed, and as we become more and more organized based on common interests, our plurality as a nation will become better defined. Unification based on understanding of our basic differences and real similarities is thus advanced.*17 January 87

/9317

CSO: 4200/329

LEFTIST WEEKLY HITS CONTINUING PUBLIC WORKS CORRUPTION

Quezon City WE FORUM in English 19-25 Jan 87 p 2

[Editorial: "Negotiated Contracts"]

[Text]

One of the most vulnerable—and abused—areas where public officials can easily fall prey to corrupt practices is in infrastructure.

The construction of roads, bridges, markets, schools and other public buildings, is a veritable goldmine where “blood money” can be extracted with a blink of the eye.

In fact, the Ministry of Public Works and Highways, has been perceived by the public as one of the most notorious sources of corruption. No less than then MPWH Minister Vicente Paterno had to quit in disgust and frustration over his failure to clean up the ministry of grafters and “ten-percenters” during the Marcos dictatorship.

Corruption reached intolerable levels when Marcos authorized the practice of “negotiated contracts” in which projects were brazenly peddled to anyone who can offer the “best incentive.”

This kind of immoral negotiation continues to this day. The more ethical and advantageous practice of public bidding has become the exception rather than the rule and unless President Aquino acts to restore this practice, corruption will gnaw at the very foundations of her administration.

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CSO: 4200/329

BUSINESS LEADER OFFERS ENERGY POLICY DIRECTIONS

Quezon City BUSINESS DAY in English 30 Jan 87 pp 2, 5

["Private Sector Views" column by Herman M. Montenegro, vice president of the Philippine Chamber of Commerce and Industry]

[Text]

So many events have happened in the political front these past few days that there are fears that economic recovery will again be impeded. It is thus with more vigor that the government and the private sector should pursue policies and activities which would maximize the country's use of scarce resources and pave the way for faster economic recovery. One vital sector which has a tremendous impact on the economy and which therefore warrants considerable attention from the country's economic planners is the energy sector.

The perception that energy is a capital-intensive and highly expensive resource should bear much significance in a capital-scarce economy like the Philippines. These attributes make it imperative that energy be conserved and directed to the most productive usage. The thrust of energy policies should therefore be the efficient and productive use of energy in all its forms.

Considering that electric power is the most popular form used by both industrial and residential consumers, special emphasis should be accorded this sub-sector to discour-

age wasteful consumption. Hence, electricity rates must give the correct pricing signals to consumers.

The prevailing energy pricing policy in the country apparently ignores this principle. At present, commercial and industrial customers pay higher rates than residential customers do, which defies economic logic since higher loads bring a power firm's efficiency to a higher level, thus bringing down operating and distribution costs due to the economies of scale. We therefore join our voice to the public expression of concern regarding the present power pricing structure and its deleterious effect on the competitiveness of Philippine producers in the domestic and world markets. This calls for a restructuring of the power rates of the National Power Corporation, the cooperatives, and the private utilities, such that the economics of power generation, transmission and distribution are correctly reflected.

The higher rates charged commercial and industrial customers are due to the current policy making electricity rates a means of income redistribution. Large customers carry a sizable subsidy burden in order that electricity may be more affordable to the underprivileged members of our society. However, the wisdom of this policy

has long been questioned, since the higher rates paid by industries greatly affect their viability, which eventually affects wages and employment opportunities. Moreover, what small savings the poor derive from the subsidy may be negated by the higher prices of goods and services caused by the higher cost of production.

Hence, there is a need to accelerate the phaseout of the Meralco subsidy for small residential consumers. Instead of attempting to redistribute income through power rate subsidies, a more direct aid program shouldered by government should be initiated.

In order to bring down power cost to consumers, as well as encourage utilities to operate efficiently and maximize capacity, incentives should be given to reward efficiency and penalties be imposed for inefficiency. The fundamental basis for power rates should be load and power factors of the consumers, which largely influence the efficiency of the utilities. The power rate structures of the NPC and other power utilities should therefore incorporate mechanisms for measuring operating efficiency. Incentives should be devised such that savings from a higher level of operating efficiency from a specific standard can be treated by utilities as additional profits while costs arising from inefficiencies beyond a certain cut-off level cannot be passed on to customers and thus have to be shouldered by the power firm.

Government should also reduce the tax imposed on fuel, particularly those

forms used in industry and in other productive endeavors. Although this would result in a drastic cut in present government revenues, the country as a whole would gain in terms of expanded industrial activity. Eventually, higher tax revenues would also be earned because of the expanded tax base.

In line with optimizing the use of scarce energy resources, we propose that the Ministry of Trade and Industry evaluate investment projects to discourage energy-intensive projects. Recognizing that the country does not enjoy a comparative advantage in power generation, investment projects should be evaluated and prioritized to achieve the most cost-effective use for energy.

It is expected that the year 1987 will be a period of growth for the country, where an economic turnaround will be achieved in the economy. With the advent of the new administration, a change in the direction of national policies has been introduced. For example, private initiatives are now being encouraged, whereas monopolies and cronyism are being dismantled. This will allow market mechanisms to come into full play, so that scarce resources may be husbanded and applied to the most judicious use. This thrust should be carried over to the energy sector as well, to remove all existing distortions and disincentives. The domestic cost of energy will then be reduced, thus helping local manufacturers become more competitive in the domestic and world markets. Indeed, with a progressive power rate structure in place, 1987 could mark the beginning of a true and sustainable economic growth for the country.

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CSO: 4200/329

HANDICRAFT EXPORTERS SEEK GOVERNMENT HELP

Quezon City BUSINESS DAY in English 28 Jan 87 p 7

[Text]

The Philippine Chamber of Handicraft Industries yesterday said its present export volume of P3.2 billion can further expand if the government will remove barriers to its accelerated growth.

Newly inducted chamber president Resty R. Lerma, at induction ceremonies where President Aquino was guest of honor, identified as growth barriers inadequate government/private financial packages "that do not often correspond to the industry's business cycle," and bureaucratic red tape.

"Financing from start to finish, including the slumps and lean times, are not usually available," the chamber said in a statement. "Credit criteria and documentation are often stringent and tedious."

Lerma said the government can exercise its moral influence to catalyze the creation of appropriate and responsive funding programs from the financial sector to the handicraft industry — beyond the current small scale, KKK-type

and export packing credit programs.

He stressed that government support is vital in widening the industry's share of the world market and in enhancing more widespread local acceptance of its products. He noted that worldwide demand for local handicraft is high, and requires the right peso volumes of credit and accurate timing for the pre-production phase of the business.

Lerma asked the Ministry of Trade and Industry for space and funding assistance for the operation of a market development center. The center, he said, will be a one-stop shop for both local and foreign buyers, separate from the Philtrade Center on Roxas Blvd. where a wide variety of products are on exhibit.

This year, Lerma announced, the chamber plans to establish an institute for handicraft workers which will be the country's formal source of trained manpower.

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CSO: 4200/329

SUGAR PRODUCTION DEFICIT, INCREASED PRICES EXPECTED

Quezon City BUSINESS DAY in English 29 Jan 87 p 14

[Text]

LONDON — The prospect of a world sugar production deficit this season and next will result in an increase in prices, possibly to 12 US cents per pound in 1987 and then to 15 cents in 1988, compared with around six cents at the end of last year, according to analysts Gerrard and National Inter-commodities.

But the fundamental picture for coffee and cocoa is bearish for 1987, when both commodities will be in surplus.

The analysts forecast a "small production deficit" of 1.5 million tons of sugar for the current 1986-87 season, resulting from a 100 million-ton crop against 98 million last season and world consumption of 101.5 (against 100) million tons.

GNI looks for a "further production deficit of around three million tons in 1987-88," when the world crop is tentatively expected to fall to 100 million tons, compared with consumption of 102.5-103 million tons.

The "primary areas of attention" in 1987 will again be Cuba, the Soviet Union and Brazil, the latter "likely to suffer a severe export shortfall in 1987 due to burgeoning domestic demand and increased offtake of gasohol — petrol combined with alcohol made from

sugar cane."

The major determinant of world coffee production in the current season is the likely outcome of the forthcoming Brazilian crop which the analysts forecast at 25-26 million 60-kilo bags against 11 million in 1986.

With export availability projected at 73 million bags this year compared with demand of 67 million, the analysts foresee a surplus of six million bags for 1987 after a deficit of six million last year.

Without a reintroduction of (ICO) export quotas, prices could decline to 100 US cents per pound, "possibly much lower," the analysts suggest.

Cocoa's long-term outlook "is clearly bearish with production at about record highs and consumption growth now starting to tail off."

In addition, the International Cocoa Organization (ICCO) has yet to agree upon how its buffer stock will work.

GNI conclude that if buffer stock rules can be successfully negotiated, prices could be supported for a "prolonged period" but in view of the market's poor fundamental outlook, funds could eventually be exhausted on buffer stock support buying. — AFP

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CSO: 4200/329

PHILIPPINES

BRIEFS

PDCP LOANS--The Private Development Corporation of the Philippines (PDCP) has granted P132.4 million in loans to small- and medium-scale industries as of Dec 31 last year. In a press statement, Luis V.Z. Sison, PDCP chairman and chief executive officer, said the amount represents financial assistance to 312 projects of 207 enterprises engaged in various industrial and agribusiness activities all over the country. Of this amount, P100 million were made available to 166 enterprises through PDCP's seven regional branches. [Text] [Quezon City BUSINESS DAY in English 29 Jan 87 p 11] /1317

CSO: 4200/329

ILLEGAL VIDEO SHOWINGS, FIREWORKS TRANSPORTATION INCIDENT

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 26 Nov 86 pp 1, 4

[Article by My Lam: "Many Illegal Video Cassette Showings and Fireworks Transportation Incidents Uncovered"]

[Text] Coordinating with the culture-propaganda sector, the public security police of precincts 1 and 5 have uncovered many incidents of illegal video film showings.

On the night of 29 October 1986 the Precinct 1 public security police caught the Precinct 1 Cooperative Federation in the act of showing a forbidden film at the organ. The confiscated evidence included a video cassette recorder, a color TV, and 10 cassettes. On 9 November 1986 the Southern Cloth and Yarn Corporation illegally showed a forbidden film. The public security police of Subprecinct 13, Precinct 1, coordinating with the Precinct 1 culture-propaganda sector, caught it red-handed and confiscated the VCR and film.

On the same day, the public security police of Precinct 5 inspected the house at No 40 Nhieu Tam Street, Subprecinct, 5, Precinct 5, and caught the family head, Tu Ngoc Thuan, in the act of showing a forbidden film to a large audience. The public security police also found five other forbidden films there. The functional organs are continuing to investigate the origin of the forbidden films and the VCR.

On 11 November 1986 the public security police of Precinct 3 arrested Nguyen Thi Hoi (of Subprecinct 23, Precinct 3) and Nguyen The Kiem Lien (of Hoc Mon) for transporting nine meters of firecracker strings and 60 packages of firecrackers. It was learned that Nguyen Thi Kim Lien was a member of the Nam Long cooperative firecracker production team (Subprecinct 13, Tan Binh) and sneaked those firecrackers to Nguyen Thi Hoi to be stored until they had an opportunity to sell them for profit.

5616

CSO: 4209/235

ELECTRONICS ENTERPRISE EXPORTS HIGH-QUALITY PRODUCTS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 6 Nov 86 p 1

[VNA news release: "Tan Binh Electronics Enterprise VIETRONICS: Six Kinds of Variable Capacitors and Adjustable Glass Capacitors Are Issued High-Quality Seals; More Than 3 Million Items Exported to Czechoslovakia"]

[Text] The electronics enterprise of Tan Binh, VIETRONICS (Electronics and Computer Technology General Department), is the only unit in the country having been issued high-quality seals for as many as six of its principal products, various kinds of variable capacitors and adjustable glass capacitors. In the 5 years it has been cooperating with Czechoslovakia, it exported to the friendly country more than 3 million products, which were highly evaluated for their quality.

The reasons behind such success were the very basic favorable factors brought about by the Czech-supplied equipment, materials, and raw materials, and in addition the fact that the enterprise's engineers, cadres, and technical workers had been systematically trained in the friendly country and that in the production process it maintained all aspects of good management having to do with industrial plans, product quality, equipment and machinery, and labor. Those workers who directly take part in production have been carefully trained in technical programs, particularly the ones that would determine the quality of products; all technical requirements and industrial plans are clearly posted on every piece of machinery for workers to follow.

The enterprise attaches importance to political and ideological education along with commendations, rewards, and material encouragement given to individuals and collectives having attained high productivity and quality; as a result, the percentage of products failing to satisfy the export standards has been decreasing. In 1986, the enterprise strives to export to Czechoslovakia from 1.3 to 1.4 million products, or twice as many as last year and more than 10 times the year of 1982, when it began to export its products for the first time.

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CSO: 4209/224

BRIEFS

VIETNAM-GDR MINERAL AGREEMENT--On 3 November 1986 in Hanoi, Comrade Nguyen Van Kha, minister of engineering and metals, on behalf of the government of the Socialist Republic of Vietnam, and comrade Dr. Richter, vice minister of the geology ministry of the GDR, signed a long-term agreement regarding the exploration and exploitation of minerals. [Text] Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 8 Nov 86 p 4] 5616

CSO: 4209/225

HO CHI MINH CITY CPV EXECUTIVE COMMITTEE ELECTS OFFICIALS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 6 Nov 86 p 1

[Article by P.V. (Reporter): "Ho Chi Minh City Municipal Party Organization Executive Committee (Fourth Term) Holds First Meeting, Elects Vo Tran Chi Secretary, Phan Van Khai Deputy Secretary, and 18 Others to the Standing Committee of the Municipal CPV Committee"]

[Text] On 5 November 1986, the Ho Chi Minh City CPV Party Organization Executive Committee, Fourth Term, held its first meeting.

It listened to Vo Tran Chi of the Standing Committee of the Municipal CPV Committee, Third Term, presenting the contents of Directive No 80/CTTU of the CPV Central Committee Secretariat on electing standing committees of provincial and municipal CPV committees and projecting the number of members, makeup, and staff of the Standing Committee of the Municipal CPV Committee, Fourth Term.

After having discussed and exchanged ideas, the Municipal Party Organization Executive Committee, Fourth Term, elected the secretary, deputy secretary, and Standing Committee of the Municipal CPV Committee.

Vo Tran Chi was elected secretary of the Municipal CPV Committee. Phan Van Khai was elected its deputy secretary. Eighteen other persons (in the following list) were elected its members:

- | | |
|------------------------|---------------------|
| 1. Nguyen Cong Ai | 11. Tran Van Phu |
| 2. Nguyen Ngoc An | 12. Truong Tan Sang |
| 3. Mai Van Bay | 13. Vo Viet Thanh |
| 4. Le Khac Binh | 14. Le Van Triet |
| 5. Vo Van Cuong | 15. Le Cong Trung |
| 6. Nguyen Vo Danh | 16. Le Van Trung |
| 7. Nguyen Van Hanh | 17. Pham Chanh Truc |
| 8. Truong My Hoa | 18. Le Thanh Van |
| 9. Pham Van Hung | |
| 10. Nguyen Vinh Nghiep | |

Today the conference continues its work.

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CSO: 4209/224

IMPROVING LIVING CONDITIONS OF CADRES, RETIREES SUGGESTED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 6 Nov 86 p 1

[Article by Do Thu Thuy of the Ministry of Justice: "Cadre Policy"]

[Excerpt] At the present time, almost all cadres, workers, and civil servants, particularly in the sectors that require intellectual work, are encountering difficulties in daily life. Their wages are not enough to cover even their minimal activities, such as buying foods and clothes, let alone their cultural needs, the need to keep their physical and mental capacities in good shape for reinforcing the "gray matter," and the support of other family members like old parents and young children. Our party and state have the responsibility to ensure the system of wages, bonuses, and so on, for doing so is getting the best use out of our cadres' mind and physical capacity, encouraging them to work effectively, and to some extent putting an end to the need "to earn a living" in an illegal and immoral manner on the part of some cadres.

As for those cadres who have retired, we should change our policies in order to make them more suitable for the present situation in terms of prices, and so on. Because pensions of these retirees are meager and paid once every quarter, we wonder whether anybody likes to retire at all. In addition, those cadres who have retired usually think that it is finished for them and that they are only "second-class citizens." Presently we are shaping up our organization and putting a number of old cadres into retirement. But we must also pay attention to two things: one, we should still properly use those old cadres whose energy remains abundant and mental capacity is still young and progressive; two, we should have appropriate treatment for those old cadres who are physically weak to avoid their thinking that retiring means losing both "power" and "privileges." Furthermore, as for those who have made good contributions to the revolution, there should be appropriate policies to show that the socialist state is concerned about and rewards its cadres for their contributions, even after their retirement.

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CSO: 4209/224

IMPORTANCE OF PARTY-MASSSES DIALOGUES EMPHASIZED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 8 Nov 86 pp 1, 4

[Article by Chau Ai: "Dialogues"]

[Text] Many readers have asked us, "Is it wrong to speak of the necessity of the party taking the initiative in organizing dialogues with the masses?" When we heard that question we must admit that we were surprised because we had thought all along that that was a matter of course. But recently, when we noted that readers were posing that question we looked into the matter and only then realized that that confusion resulted from the fact that there are still some people who think that to speak of the party holding dialogues with the people sounds as if it is "sacrilege." Only when one reads newspapers, listens to the radio, monitors the situation in many fraternal nations, and is concerned with collecting information from other sources does one realize that the matter of dialogues between the people and between the leaders of all echelons and the masses and circles has been and is one of the very important contents of renovation in political, economic, and social life. In the Soviet Union, Cuba, and Poland the contacts, meetings, and dialogues between the party and state leaders and the masses are very lively and interesting, and are regarded as a very special working method, especially in the political, ideological, and organizational spheres. The results and value of some dialogues are as highly evaluated as those of a political campaign. Small, medium, and major dialogues are held for an hour, for half a day, and all day. During those dialogues there are posed, and resolved in a comfortable, appropriate manner, all kinds of problems, especially those having to do with people's lives, which determine the life of the nation. In nearly all of the fraternal nations such dialogues of a profoundly mass nature, have permeated the meetings and appear to be "part of the scene." Speeches and commentaries which drag on and are too somber have become fewer and fewer, and have given way to brief, lively, realistic, and incisive dialogues containing many new thoughts.

In the Soviet Union, even the advanced schools and colleges have begun to encourage independent thought and dialogues, not monologues. In a speech at a conference of scientists held in Moscow on 1 October 1986, Comrade Gorbachev said, "dialogues are an indispensable part of the instructional process." That is true. Even in spheres which are thought to be "one way," in accordance with the "Confucius wrote" viewpoint. From now on we must also

hold discussions and dialogues, otherwise dogmatism and shortsightedness will affect people's foreheads and become large wrinkles, and there will no longer be room for creative thought.

Conversations between the party and the masses are not only necessary but are absolutely necessary. If it abstains the party will no longer be a vanguard organization of the scientific revolution. If the party does not hold dialogues with the masses, with whom will it hold dialogues? Dialogues are meetings, with handshaking and happy faces, with exchanges of opinions about matters to determine what is right and wrong and what is correct and incorrect, so that there can be greater unity and cohesion between the party and the people. Only if the party and its leaders at all levels are skilled in contacting, conversing with, and holding dialogues with the masses can the relationship between the party and the masses be closer, only then will it be possible to avoid mistakes and bureaucratism, and only then can the party's intelligence and thought be sharper.

In our country, in the past, especially during the Ly, Tran, and Le periods there were kings, generals, and ambassadors who, when the nation was experiencing many tribulations and internal rule and diplomacy were difficult, had to think about the strength of the people, organize meetings, understand the people's feelings, and listen to their opinions, in order to determine policies. It may be said that the greatest and most representative dialogue in the history of our country was the Dien Hong conference, between the king and his subjects, questions were answered, old men from many places made suggestions, and determination to defeat the enemy was expressed. It may also be said that the recent self-criticism and criticism campaign and the campaign for the people to contribute opinions to the party, which is continuing--the people contribute opinions and the party receives and replies to them--are also regarded as a major dialogue between the party and the masses. After the self-criticism and criticism campaign, many local party organizations decided to expand and regularize the meetings and dialogues between leadership and the people. Not only in our country and the fraternal countries, but even in such progressive countries as India and Sweden, such leaders and major politicians as Indira Gandhi and Olof Palme met with, conversed with, and had open dialogues with all strata of the people.

It is even more important for the Communist Party and communists, who make the people the root and regard revolution as an undertaking of the masses, to hold conversations and dialogues with the masses. Especially at times when the nation is facing danger and encountering many difficulties and challenges, the party cannot be remote from the masses. Dialogues with the masses are the most important method for the party and communists, to supplement its intelligence and improve its leadership skill. Dialogues with the masses are also a very practical way to bring into play the collective mastership right of the masses. True revolutionaries regard dialogues with the masses as being able to breathe fresh air.

5616

CSO: 4209/225

IMPROVED HANDLING OF PEOPLE'S COMPLAINTS URGED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 2 Dec 86 pp 1, 4

[Article by Chau Ai: "An Urgent Requirement of the People"]

[Text] During and after the recent criticism campaign in preparation for the party congresses at all levels, and especially since the promulgation of the law regarding the consideration and resolution of the denunciations and complaints, the number of denunciations and complaints by the people has increased. The number of complaints sent to the inspection organs averages 755 a month, and that does not include those sent to the newspapers, the radio stations, and the other organs. The contents of the complaints reflect many matters, but they mainly concern violations of policies, laws, housing, land, illegal dismissals, corruption, collusion, bullying and seeking revenge against the masses, etc. We believe that the increased number of complaints amounts to, we believe, a manifestation of the democratic spirit that was aroused in the course of the "The people believe in the party and the party believes in the people" self-criticism and criticism campaign, and signified a step toward maturation for the consciousness and mastership right of the masses. They are a wholesome political manifestation because life is a process of resolving contradictions, developing the good, overcoming the bad, encouraging the good and the progressive, and repulsing the backward and negative. The leadership cadres say with much reason, "Don't think that if there are no denunciations and complaints everything is going well." Also during the recent period, much progress has been made in considering and resolving complaints. As the delegates to the sixth session of the third term of the Municipal People's Council observed, "the requirements of the masses have not yet been met." According to the delegates, there are many obstacles, the principal of which is that "There is still confusion with regard to authority. Many places have lacked enthusiasm toward resolving complaints, and if they do act they drag things out and are not strict. In some cases a decision is made but not enforced. The inspection work is extremely important but those forces have not been strengthened and consolidated and their quality has not been improved. The law regarding the right to complain has not been adequately respected. Citizens still encounter many difficulties and are confused in exercising their rights according to law." In order to overcome that situation, the delegates recommended strengthening the apparatus considering the complaints, positively guiding the people in making

denunciations and complaints, and promote the work of inspecting, investigating, examining, and fairly resolving the people's complaints.

Monitoring the activities of the Municipal People's Council, the people applaud the concern shown by the Council for that very important and vital matter. So that the consideration and resolution of complaints can undergo a strong transformation and achieve real effectiveness, from exchanges of opinions and letters from readers, we have noted the specific recommendations of the city's people, which may be summarized as follows:

The Municipal Party Committee must show adequate concern for doing a good job of carrying out the resolution of the fourth congress of the municipal party organization on strengthening the role, responsibility, and authority of the Municipal People's Council and the precinct, district, and subprecinct echelons. For its part, the Municipal People's Council, the highest local organ of state authority, must hold discussions with the Municipal People's Committee and the responsible organs to gain experience and set forth the most effective measures regarding the organizational apparatus, and the methods of considering, inspecting, and investigating, and resolving denunciations and complaints in a timely and effective manner, and overcoming the situation of resistance, vacillation, and delay. The Fatherland Front Committee and the trade union, peasants', youth's, and women's associations must truly be representatives of the people's mastership right. They have a great responsibility in intervening positively and directly, and enabling the resolution of complaints to bring about results. With the guidance and supervision of the upper echelon, the lower echelons must also work in that spirit. Depending on the echelon and on the importance of the incidents, all denunciations and complaints must be considered and resolved, but it is necessary to pay attention above all to such matters as bullying, seeking revenge, violating the property, lives, and mastership right of the people, violating socialist property, corruption, and bribery.

Those opinions of the people are appropriate to the resolutions of the recent congress of the Municipal Party Congress on the mass proselytization task: "Under the conditions of the party being in power, struggle against bureaucratism, commandism, and bullying and coerce the masses is a very basic matter in truly bringing into play the working people's mastership right.

5616

CSO: 4209/235

SOCIOECONOMIC TASKS OF CUU LONG PROVINCE REVIEWED, PROJECTED

Hanoi NHAN DAN in Vietnamese 27 Nov 86 p 3

[Article: "Cuu Long Provincial Party Organization Reports on Socioeconomic Situation, Tasks"]

[Text] About evaluating the situation, the report of the Cuu Long Provincial Party Organization Executive Committee at the Fourth Party Organization Congress had this to say:

About agricultural production, utmost efforts were made to overcome difficulties, to strive to gradually achieve total and steady agricultural development, to satisfy the ever increasing needs for grain and foods, to provide the processing industry with more raw materials, and to enlarge the sources of export goods.

The volume of grain production in 5 years (1981-1985) was 3.78 million metric tons, an increase of more than 1 million tons over the previous 5-year period, and raised the average annual grain output by 10.4 percent compared to the period of 1976-1980. In 1985, the highest year in terms of grain production, the output was 900,000 tons surpassing the goal set by the Third Party Organization Congress.

The area devoted to short-term industrial crops and crops for export was nearly doubled, with leguminous plants being grown in ricefields; and a specialized-cultivation zone has now been created to accommodate short-term industrial crops and plants and animals raised for export.

Since 1983 the province has been planting in average close to 1 million coconut trees a year, raising the total number of coconut trees in the province to nearly 5 million, with an increase of 2,000 hectares compared to the goal set by the Third Party Organization Congress.

The numbers of domestic animals and fowls, particularly water buffaloes, cows, and ducks, were increasing every year, at the average rate of 2.75 percent for water buffaloes, 2.3 percent for cows, 5 percent for hogs. The numbers of ducks were twice as many as those in 1980.

Increases were recorded in catching, raising, and processing marine products. Raising and growing became a widespread mass movement, with many shrimp-raising models being created for freshwater and saltwater zones (forest-shrimp, coconut-shrimp, rice-shrimp, etc.). In 1985 the volume of production of shrimp and fish amounted to 67,000 tons, including a total catch of 37,400 tons, an increase of 24.6 percent compared to the goal set by the Third Congress.

About development of industry, communications and transportation, and capital construction: Industry, small industry, and handicrafts were expanding at a rather fast pace, with an average annual increase of 30.2 percent in the 1981-1985 period. In 1985 alone, the value of industrial output was 215 million dong, an increase of 42 percent over the goal set by the Third Congress, with many products being made on a larger scale and new lines of goods being made available.

The communications-transportation network was strengthened, with transportation of goods by sea and land routes showing average annual increases of 29.15 and 6.8 percent, respectively.

Investment was made in building a local water conservancy network, creating a high-production rice-growing zone, boosting the draft power in agriculture, building veterinary and plant-protection stations in districts, and building 46 additional enterprises, including the 110-kV transmission line from Vinh Long City to Tra Vinh, the Mang Thit Bridge, a rice mill producing rice for export, the 30-4 Frozen Shrimp Enterprise, the Tam Binh Sugar Refinery, and an enterprise dealing in structural-form materials.

About import-export: The total export value from 1981 to 1985 increased at an average annual rate of 38.4 percent. In 1985, a year that showed high export values, the figure was 14 million rubles/dollars, but it was only 70 percent of the goal set by the Third Congress.

Circulation and distribution was gradually improved, with utmost efforts being made to control goods and cash, to strengthen market management, and to expand the socialist commercial system. The grain-mobilizing task was fulfilled every year, with purchases of grain increasing at an average annual rate of 16.6 percent. The figure in 1985 was nearly 2.5 times larger than that of 1980.

The purchasing of agricultural food products showed much progress, with purchases of hogs increasing at an annual rate of 29.8 percent, sugar 8.9 percent, coconut flesh 42.4 percent, sea products of all kinds 40.8 percent; the standard of living was further improved, although such an improvement was far from steady and free of difficulties.

About transformation of production relationships: The collectivization of farmers was achieved for a large majority of them (96.8 percent of farmers and 93.4 percent of the cultivated area) in the popular form of production collectives, with progress now being made to move toward joint-enterprise collectives and to build experimental cooperatives. The province as a whole

has organized (as of 10 September 1986) 5,400 collectives and 26 agricultural cooperatives.

A large part of the fishermen's households was collectivized. The transformation of handicraft occupations was accelerated: By the end of 1985 70.5 percent of these households in such occupations as milling, making cane sugar, repairing machines; making bricks and tiles, aluminum, plastic, paper, and wood products; and weaving have been collectivized.

In addition to many victories and progresses, the Provincial CPV Committee found that leadership over the revolutionary movement in the province lately was still full of shortcomings. Agricultural production was not developed in a total manner while progress remained slow and was far from steady. In industry, machinery were not used to their full capacity. The economic mechanism in both agriculture and industry was not clearly defined. Only 70 percent of the goal set by the Third Congress for export was fulfilled.

About capital construction: The investment pattern was not closely linked with the production pattern while excessive waste still existed.

About transformation of production relationships: The party organization did not see clearly that the transforming task should be permanent and continuous for the entire transitional period and should be fulfilled in appropriate steps and forms, for it had carried it out sometimes in a hurry, with more attention paid to quantities and the form, and sometimes with reluctance and indecision, and thus failed to ensure positive and steady results, with the quality of production collectives and marketing cooperatives remaining poor. The transformation of agriculture was not closely combined with that of industry and commerce, nor was transformation closely linked with construction.

Redistribution of labor was still slow; many people remained unemployed, and the average number of days worked/person/year was still very small. The three revolutions were not carried out simultaneously.

Socioeconomic Goals in 1986-1990

Strive to stabilize all aspects of the situation, at the same time create new development, and try to successfully fulfill these major socioeconomic goals:

1. Actively redistribute labor, correctly exploit the province's potentials and strengths, step up production development and the practice of thrift, properly organize circulation and distribution; strive to stabilize the market and move toward being its masters; ensure and further improve the standard of living of people in all parts of the province, and concentrate on satisfying some of their urgent needs having to do with foods, clothes, housing, traveling, learning, treatment of diseases, and leisure and recreation.
2. Promote important social changes, make sure that all working people have jobs, and make income levels for all strata of the population and the standard of living in all parts of the province relatively equal, without any excessive gaps. Achieve national solidarity and equality in the economic, political,

and cultural fields in accordance with the real conditions that exist today. Develop social relationships and a wholesome way of living. Consolidate and further develop moral values and revolutionary traditions. Overcome all negative aspects and ensure that all people, particularly the youths, work in an enthusiastic and creative manner, have noble ideals and cultural living, and devote themselves to the construction and defense of the fatherland.

3. Continue to build the material and technical base of socialism, closely link together the investment and production patterns, and raise productivity.

4. Increase the potential capabilities of the state-operated economic sector, expand and improve the quality of the collectivized economic sector, encourage development of the family-based economy, and guide the remaining economic components toward doing productive work in accordance with the state plan. Closely link transforming the production relationships with building a new management mechanism.

5. Consolidate and strengthen security and national defense.

Socioeconomic Development Tasks, Measures

Agricultural production, marine products, forestry, family-based economy:

By 1990 increase by 1.8-2 times the number of crops (both rice and subsidiary food crops) raised per year and reach a gross output of 1.2 million tons of grain, mainly rice, with average per capita production of 650 kilograms.

Concentrate on making investment in order to quickly create along the banks of Tien and Hau Rivers specialized-cultivation zones for short-term industrial crops and for crops that yield products for export, which will be grown as companion crops along with rice to increase soil fertility, and strive to raise the cultivated area to 65,000 hectares by 1990 (with the largest part of it for growing leguminous crops). Stabilize growing sugar cane in about 8,000 hectares to ensure producing enough sugar for the people and fulfilling the province's obligation to the central administration, and create a specialized-cultivation sugar cane-growing zone along Mang River in Tam Binh and Tra On Districts. At the same time, extend the area devoted to growing cotton.

About long-term industrial crops: to encourage the people to grow coconut as a main crop in gardens, on canal banks, in residential land, and so on. Carry out the slogan, "All families grow coconut, all people grow coconut," and link growing coconut with growing other crops like pineapple and cacao, raising shrimp, keeping bees, and so on. Adopt the formula of taking a short-term crop to support a long-term one while waiting for coconut trees to grow. Strive to have 10 million coconut trees by 1990. Urgently accelerate extending the areas devoted to growing peach trees and bananas in fresh-water zones.

The province's orchards are very large (about 30,000 hectares), with some localities like three island villages of Vinh Long City having set up their own specialized-cultivation zones. In the case of fruit trees yielding

special products of high export value, extend good care to them, expand the areas devoted to them into concentrated-cultivation zones to obtain greater output, and use them in time to increase export.

Strive to develop animal husbandry to make it equal in importance to crop raising and to raise both domestic animals and fowls, particularly water buffaloes and cattle, goats, and rabbits. Quickly increase the number of hogs raised; expand and improve the hog-raising techniques among families; step up hog raising in the state-operated sector and further develop collective hog raising, with the above sector having to create models of applying technical progress to obtaining greater productivity and results; and encourage efforts to turn hog raising into a commodities-producing activity.

Strive to reach by 1990 these levels: 160,000 buffaloes and cattle, 550,000 hogs, and 15 million ducks and chickens raised.

Marine products are the province's second strength after agriculture and the thrust of its export. Bring the volume of production to 92,000 tons of marine products, including 12,000 tons of shrimps of various kinds, in 1990.

Plant trees to create forests that extend into the sea, restore the ones that have been destroyed by the war, and improve the general-purpose forests in Duyen Hai; create zones of concentrated coconut growing and models combining agriculture, forestry, and fisheries together.

Encourage expansion of the family-based economy to resolve the problem of idle labor and to make more products for society.

Develop small industry and handicrafts, industry, capital construction, and communications and transportation.

Strive to widely expand small industry and handicrafts in order to accelerate division of labor and adopt the agriculture-industry economic pattern right from the basic production unit level up. Repair in time the existing pieces of machinery and equipment in order to raise the rate of their usefulness. Accelerate the development of the building materials industry in order to obtain a larger quantity of bricks and tiles for the need to build houses for the people. Try to have a power supply network in all districts by 1990.

Study implementation of policies aimed at encouraging family-based small industry and handicrafts and fully using idle labor, people having traditional skills, and discarded materials to make large quantities of consumer goods.

About communications and transportation, firmly take a new direction in sea transportation, further widen bridges and ports, and maintain strict management of the existing means of sea transportation. Dredge and improve streams and canals to allow unobstructed traveling to ports. Raise the percentage of sea transportation to 65 percent by 1990.

The pattern for investment in capital construction must be closely linked with the production pattern; efforts must be made to quickly adopt the agriculture-industry economic pattern. In making investment focus on projects

having to do with agricultural production, water conservancy, processing industry, production of consumer goods, export, and communications and transportation.

Properly organize circulation and distribution for the purpose of serving production and life, and on that basis achieving the socialist way of doing business; consequently, closely link the tasks of commerce, finance, banking, and prices with production needs and rational consumption by the working people and families so as to affect all production sectors; control goods and money, widen circulation and exchange of goods, be masters of the market, stabilize prices, and be sure to carry out the principle of distributing goods on the basis of labor.

Strengthen market management and management of prices, maintain discipline in connection with prices, fight against any negative aspects in buying and selling; firmly punish those dishonest business people who resort to speculation and hoarding, make counterfeit goods, and avoid paying taxes.

Quickly clean up the tax collection and market management machinery and increase the participation of mass organizations in controlling the market.

By 1990 the socialist commerce basically must be able to master the market, to fully control wholesale, and to be strong enough to influence retail sales.

Labor and living conditions: According to estimates, the province's population in 1990 will be about 1,850,000, including 850,000 people of labor age. Urgently try to provide a job to every one in this group. Lower the rate of population increase, to 1.68 percent in 1990.

5598

CSO: 4209/218

FOREIGN EXCHANGE SHOPS REDUCE PRICES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 25 Nov 86 p 1

[Article by M.C.: "Intershop Stores Reduce Retail Prices by From 3 to 10 Percent for People Returning From Abroad With Legally Obtained Foreign Currency"]

[Text] The Municipal People's Committee recently decided to reduce by 3 to 10 percent retail prices at the Intershop stores at IMEXCO, the Tourism Corporation, the Ships' Chandler Corporation, Tan Son Nhat airfield, etc., for workers, students, cadres, etc., who return from working or studying abroad with legally obtained foreign exchange. The amount of the price decrease depends on the product and the specific amount purchased.

Among the measures applied to earn foreign exchange (by means of remissions from abroad), the city has also authorized IMEXCO to import raw materials, materials, equipment, machinery, etc., to serve production, in accordance with Decision 34, and to exchange or sell such products at the Intershop stores to people who receive money from abroad.

At present the Intershop stores are only authorized to sell goods in exchange for legally obtained foreign exchange to foreign visitors, Vietnamese who return to visit their homeland, and cadres, workers, and students who return after working or studying abroad.

5616

CSO: 4209/234

WORKERS TEAMS CARRY OUT PRODUCT QUALITY INSPECTIONS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 21 Nov 86 p 1

[Article by V.H.L: "Workers' Inspection Teams Recommend Closing Down Some Installations Producing Inferior Goods"]

[Text] Since May 1986 the workers' inspection teams have coordinated with the Standards-Measurements-Quality Department, the Municipal Public Health Service, and the sections and sectors in carrying out many product quality inspections at the production installations and at markets. The conclusion of the inspection teams was that the quality of many products, especially soap and bicycle spare parts, of the small industry-handicrafts production sector, is declining seriously.

The inspection cycle in mid-1986 showed that of the 238 food products and manufactured goods that were obtained from the market stalls and warehouses for testing, only 29.4 percent met requirements. Recently the workers' inspection teams carried out a follow-up inspection and found that although four out of eight soap and bicycle part samples met the standards stipulated by contracts, only one met the state quality standards. During an inspection of the commercial cooperation stores in the precincts and districts, the inspection teams recommended the on-the-spot confiscation of 812 faulty bicycle sprocket wheels, 41 faulty chains, 671 faulty bicycle wheel rims, 884 faulty satchels, and 14 faulty bicycle frames. The inspection teams recommended the closing down of a number of production installations which produced poor-quality goods, and recommended a number of measures to improve the quality of goods directly affecting the quality of life.

5616

CSO: 4209/234

NEGATIVE INCIDENTS UNCOVERED IN COMMERCIAL COOPERATIVES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 8 Nov 86 pp 1, 4

[Article by "D.T.": "Many Negative Incidents Uncovered in a Number of Consumer and Marketing Cooperatives"]

[Text] Recently the cooperative commercial sector carried out an unscheduled inspection of the activities of the subprecinct consumer cooperatives and village marketing cooperatives.

Pursuing commercial income and doing business solely to make profit is a widespread situation. Because they have little capital, some cooperatives have borrowed capital from private merchants or allow private merchants with capital to do business and share profits with the cooperative. Therefore, the cooperatives were controlled by private merchants and in some places have even taken over their property. A considerable number of cooperatives have served as middlemen in buying and selling in order to make profits, and were not concerned with the workers meals. A number of subprecinct consumer cooperatives and village marketing cooperatives promptly corrected those mistakes and tied commercial activities in with serving the people, such as those in subprecincts 4, 5, and 15 (Precinct 4), Subprecinct 23 (Precinct 1), Subprecinct 5 (Precinct 3), Subprecinct 9 (Precinct 5), subprecincts 16 and 28 (Binh Thanh), subprecinct 12 (Go Vap), Subprecinct 12 (Phu Nhuan), and Xuan Thoi Thuong Village (Hoc Mon).

At many retail agencies, the cooperatives cannot manage the goods and prices because they still allow the agents to purchase the goods. Some cooperatives have not done a good job of managing money obtained from the sale of goods, and allow agents to use the capital, such as at the consumer cooperative in Subprecinct 6, Precinct 6. In precincts 5 and 8, Binh Thanh Precinct, etc., some subprecinct consumer cooperatives have issued letters of introductions to agents so they could purchase goods, sell them, and then turn over part of the profits to the cooperative.

The subjective reasons for those deficiencies were poor consciousness of service and overemphasis on profit. A considerable number of cooperatives have the attitude of disregarding money-goods management regulations and violate stipulations regarding the distribution of goods.

The municipal commercial sector is guiding the commercial cooperatives at all levels in inspecting the activities of the basic units and putting them on the right track, on the basis of relying on the local control boards and cooperative members.

LIBERATING PRODUCTION CALLED URGENT PROBLEM

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 8 Nov 86 p 1

[Article: "Liberating Production, an Urgent Problem"]

[Text] Editor's Note: At the congress, the report on the situation and missions of the municipal party organization (fourth term) was studied and analyzed by the delegates, who supplemented it with many opinions, especially with regard to the part dealing with specific missions. The delegates' opinions reflected full understanding of the new viewpoints of the Political Bureau. We have excerpted the opinions relevant to the liberation of production, an urgent problem at present:

The city must have a plan to develop its economy, including the production installations of the central and municipal sectors. Only thereby can they concentrate the capabilities and capacities of their equipment, create capability for cooperating managerially and technically, and help one another advance. With regard to investment in new industrial construction, there should be coordination throughout the Nam Bo region to avoid duplication by the provinces and the municipality, which wastes social wealth. If the State Planning Commission does not assume that responsibility, the city should serve as the center of coordination. The direction for developing industry in the city is to build and develop the consumer goods industry, the export goods processing industry, and the production means manufacturing industry. But it is necessary to emphasize the development transportation facilities and the creation of all conditions to develop the building and repair of ships and boats. The city's industry must also study ways to serve agriculture and provide technical equipment for the national economy.

The city's large enterprises should endeavor to import modern technical equipment. Equipment that is a little old and small factories should be assigned to the precincts and districts or to the small industry-handicrafts sector, for in order to play the central role industry must have modern equipment and modern technology. The city's industry must endeavor to increase numerically and, especially, improve qualitatively, otherwise the city's industrial goods may not be marketable. At present, some localities do not have confidence in the city's goods.

The city must fully utilize the capabilities of the central-level enterprises in the city. It is necessary to draft a plan to reorganize production by the central and municipal echelons, so that they can work together in exercising sector management on a territorial basis.

The port of Saigon, Tan Son Nhat airfield, and Railroad Corporation 5 play especially roles with regard to the city and the region. The city should recommend that the central echelon allow it to coordinate with the Ministry of Communications and Transportation and the Civilian Aviation General Department in managing and using those installations.

Those opinions were intended to contribute to further the liberation of production in the state sector. As for the individual sector, a notable production force at present, many opinions affirmed that Decision 34 of the municipality was a correct policy that was appropriate to the characteristics of our country's economy in the first phase of the period of transition. But there must be flexibility and specific guidance, and especially the supplying of materials in such a way as to avoid competition in buying and selling fuel.

In order to liberate production, an extremely important task that must be carried out is to renovate the management mechanism. During the recent period, we have had many deficiencies in renovating the mechanism, carrying out a division of labor and decentralization, and granting autonomy to the sectors, localities, and enterprises, management has been fragmented, and decentralization has not been carried out thoroughly. Many sectors have not yet carried out decentralization, or if they do they only turn over the installations but not the funds and materials. The installations assigned to the localities are usually decrepit and ineffective. Furthermore, the installations do not yet have the right to take the initiative in assigning cadres and workers, setting prices, using self-generated funds, etc. In management and investment, during the recent period there has been a contradiction between concentration and dispersion. That problem must be overcome at an early date.

In socialist transformation, the consolidation of production relations has the goal of developing production. In past years, the transformation work has not had a clear effect in promoting the development of production. Therefore, it is necessary to clearly determine the course of transformation in each sector throughout the period of transition. An extremely pressing problem in liberating production is to resolve living conditions and be concerned with people. If one agrees with the viewpoint of being concerned with living conditions one must endeavor to develop production, but it must be emphasized that if production is to be developed the workers' living conditions must be guaranteed. That is a responsibility of leadership. In the enterprises, the primary source of income of workers is derived from the primary products. Only thereby is it possible to avoid negative phenomena. Salaries are derived from the quantity of goods produced, not from the state budget. At present salaries amount to about 4 percent of production costs, which is insufficient. If each unit is allowed to fend for itself and support itself, negative social phenomena could easily, negative social phenomena could easily arise. Therefore, there were recommendations that all living expenses of the

workers--food, clothing, housing, travel, etc.--be included in production costs, instead of only food--and that insufficient--as at present. Ho Chi Minh City must make all-out efforts to study salaries and make recommendations regarding them in order to stabilize the living conditions of the city's workers and civil servants, and thereby contribute to the entire nation.

With regard to the difficult living conditions at present, there were many recommendations that the city apply "emergency" measures. At present there is a polarization vis-a-vis the living conditions of the various components of the population. Genuine workers and laborers are hard-up, while people who earn dishonest livings (including a number of degenerate cadres) live comfortable, luxurious lives. Resolute steps must be taken to oppose that negative situation. The Municipal Party Committee must study a mode for redistributing income fairly between a number of production sectors, such as commerce, export-import etc., and the education and public health sectors, which is now too disparate.

5616

CSO: 4209/225

EDITORIAL URGES INCREASING PRODUCTION OF CONSUMER GOODS

Hanoi NHAN DAN in Vietnamese 27 Nov 86 pp 1, 4

[Editorial: "Expanding Production of Consumer Goods"]

[Text] All sectors, echelons, and basic-level economic units are making the greatest efforts to carry out the three most important production programs: production of grain and foods, very essential consumer goods, and goods for export.

To expand consumer goods production is a very important task, immediate and long-term, in both peacetime and wartime. To step up consumer goods production in the first phase of the transitional period is aimed at satisfying the people's urgent needs, ensuring a balance between money and goods, exploiting the labor potential, and creating sources of accumulation and export.

In the last 5 years, although the production of consumer goods was expanding, such an expansion was still slow. Many lines of common consumer goods made of domestic raw materials remained scarce. The quality of consumer goods seemed to be declining. In addition, many weaknesses still plagued the management of goods distribution.

All levels (central, local, and basic), economic components, and production sectors, including the heavy and national defense industries, must fulfill the task of fully using their consumer goods-producing capacity in any form, on any scale, and at any technical level. The efforts to increase the volume of consumer goods production must be closely linked with ensuring quality, continuously making new models, and ensuring the technical and artistic values of products.

To expand consumer goods production first of all relies on reorganizing production, making in-depth and synchronized investments, giving priority to creating the necessary material conditions to promote a full use of the existing production installations, with special importance being attached to the ones that have large processing capacity and efficiency. Small industry, handicrafts, and occupations of various kinds everywhere, particularly in municipalities, cities, and towns, must be strongly expanded; the strengths of

Ho Chi Minh City, Hanoi, Haiphong, and other municipalities must be further developed. There must be plans for gradual technical renewal in favor of the production installations which were built many years ago, and whose machinery and equipment have become too old and in most cases broken, to satisfy the needs having to do with quantities, varieties, and quality of products.

One thing that has a decisive significance for expanding consumer goods production is to create sources of raw materials and to have a correct raw materials policy. By means of appropriate positions, policies, and organizations we can create and exploit better the domestic sources of raw materials, agricultural products, forest products, marine products, and minerals; use in the most effective manner various kinds of materials; and purchase and retrieve all kinds of discarded materials, raw materials, and secondary materials. To import in time some raw materials and materials necessary for the production of consumer goods has a very important significance; at the same time, it is necessary to do more work on contract for other countries in order to have additional sources of raw materials.

The installations that make consumer goods must work closely with the market, know very well the needs and taste of consumers, and adopt the system of production planning based on economic contracts signed with consumer organizations, first of all with the socialist commercial organizations that represent consumers. The ordering of goods, as well as the supplying of raw materials, must be carried out with priority being given to the production installations that make good, durable, attractive, and reasonably priced consumer goods, regardless of whether they are state-operated or collective.

This way of doing things helps to encourage the consumer goods-making installations to firmly abolish bureaucratic centralism and state subsidies, to switch to socialist accounting and business practices, to operate more dynamically, and to bring about greater economic results, hence greater income for the working people. Any production installations that do poorly must change their production formula, renew the management mechanism, and work more effectively; if they cannot move forward, they must reduce the scope of production or dissolve themselves. The way of making consumer goods at any cost regardless of regulations, consumers, and living conditions is becoming a thing of the past. To step up consumer goods production must go hand in hand with a policy protecting domestic consumer goods and banning the import of any consumer goods that we can make by ourselves, provided that we continue to improve the quality of products, of course.

We are doing our very best to make more and more consumer goods everyday and to be striving until the end of the first phase of the transitional period to produce enough to satisfy the normal needs for the most essential industrial and consumer products so as to stabilize the standard of living in both cities and the countryside.

5598

CSO: 4209/218

END OF STATE SUBSIDIES IN AGRICULTURAL COOPERATIVES URGED

Hanoi NONG NGHIEP in Vietnamese 25 Dec 86 pp 1, 7, 8

[Article: "End State Subsidies and Implement Socialist Economic-Commercial Accounting in Agricultural Cooperatives"]

[Text] Editor's Note: Since 1981, thanks to the implementation of Directive No 100 of the Secretariat of the Party Central Committee on contracting final output to groups and individual workers in agriculture we have created a new motive force and encouraged workers to produce enthusiastically, but during the past several years the collective economy has increased slowly and the capital accumulation of the cooperatives and incomes of cooperative members from the collective economy have not increased or has declined, which has caused that motive force to be limited and to erode. One of the reasons for that situation has been the pervasive spread of state subsidies in the cooperatives. Recently the Ministry of Agriculture promulgated Directive No 13 NN/CT on "Ending state subsidies and implementing socialist economic-commercial accounting in the agricultural cooperatives," in order to urgently eliminate state subsidies in the cooperatives and strengthen the collective economy to rapidly increase the cooperatives' capital accumulation, increase the value of a work day, and increase the income of cooperative members from the collective economy.

The newspaper NONG NGHIEP respectfully introduces to its readers the contents of that important directive.

A. Expanding Production and Commerce

1. The cooperatives must take the initiative in organizing selective production and commerce in crops, livestock, and trades with high economic effectiveness which are appropriate to the local natural and economic conditions; form a rational economic structure that is appropriate to the pre-determined production direction; eliminate monoculture and enter strongly into intensive cultivation and specialized production, combined with comprehensive production; and concentrate on solidly resolving the grain problem while strongly developing industrial crops and export crops, promoting animal husbandry, developing the small industry-handicrafts trades, developing forestry and fishing, and increasingly greater and more varied agricultural production. On the basis of expanding production and eliminating monoculture,

it is necessary to increase the collective income and create conditions for increasing the value of a work day and increasing collective accumulation.

2. On the basis of organizing production, the cooperatives must create conditions for tying in production with processing, circulation, and marketing from the beginning. In addition to agricultural, forestry, and fishing production it is necessary to engage in small industries and handicraft, especially the processing of agricultural products, engage in the buying, selling, and marketing of products, engage in services and exports, develop credit to serve production, and enter into combined commerce.

3. In the process of expanding production and commerce, it is necessary to pay attention to developing associations and joint operations relations with the state, collective, and individual economic units, especially in the sphere of the district, in order to expand the various spheres, and cooperate in carrying out a division of labor in production, supplying raw materials, fuel, materials, exchanging materials, machinery, equipment, and labor to produce products, organizing the circulation and marketing of products, applying technical advances to production, etc., in order to do a better job of developing economic potential, overcome difficulties in production, create new and solid balances in planning, and gradually strengthen the material-technical bases in order to promote the development of production.

B. Improve Cooperative Management

1. Raise the level of planning: There must be plans to develop production in accordance with the pre-determined production direction and structure, and it is necessary to promote the increasing of productivity, output, and annual income, on the basis of which to increase accumulation for the cooperatives and the income of cooperative members from the collective economy.

Production plans must be tied in with plans to build material-technical bases, apply technical advances, financial plans, plans to redistribute labor, and cultural-social and population development plans. Production-commercial plans must be tied in with plans to distribute and market products.

In plans it is necessary to manifest the combined strength of the collective economy, develop the family economy in the right direction, and obtain the support of the state economy. All-out efforts must be made to calculate plan balancing from many different sources and types of materials and capital: that provided by the cooperatives, that provided by the state, that mobilized from among the cooperative members, and from among the cooperative members, and that obtained by joint operations and alliances with the other organs and enterprises.

2. It is necessary to effectively reorganize labor and organize labor cooperation by combining the reorganization and redivision of on-the-spot labor, rationally assigning labor to sectors, trades, and jobs, combined with sending people to clear wasteland (wherever conditions permit), taking the initiative in reassigning workers to jobs which are appropriate to the capabilities and strengths of each type of worker, and ensure that everyone able to work has a job. At the same time, it is necessary to create favorable

conditions so that the families which lack workers or are encountering difficulties in participating in collective labor (such as the families of war dead, families of disabled veterans, etc.) in order to have additional capabilities to fulfill the cooperatives' contracted work plans. On that basis, it is necessary to increase the incomes of such families and reduce the subsidies paid by the cooperatives.

It is necessary to strengthen the cooperative management apparatus so that it can be streamlined, effective, capable of producing and managing, and appropriate to the product contracting system. The management boards should consist of only three to five people, with the director in over-all charge, in charge of planning, and in charge of finance, while the deputy directors are responsible for the production sectors. Each specialized subcommittee should consist of only three to five people, and the units should have only one unit leader and a deputy in charge of unit accounting.

Depending on their capabilities and strengths, the full-time leadership cadres in the villages must participate in cooperative labor (accept contracted land or participate in other work of the cooperative).

3. Mobilizing and using capital: On the basis of exercising financial autonomy, the cooperatives must take the initiative in exploiting all sources of capital in order to serve fully and promptly serve the requirements of the cooperative's production and commerce. In addition to their internal capital, the cooperatives may mobilize the idle capital of cooperative members by many different methods, such as encouraging the cooperative members to pay in advance to purchase the cooperative's products; the cooperatives buying products on credit at a higher price; the cooperatives borrowing capital from cooperative members at an appropriate interest rate; or encouraging the cooperative members to contribute shares to the cooperative so that it can produce or do business in a certain trade, etc. At the same time, it is necessary to use capital economically and avoid waste and ostentation, and on that basis strengthen the norm work, perfect the system of economic-technical norms, materials use and capital norms for each crops, livestock, and trade, norms regarding management expenses, the use of public welfare funds, etc.

4. Expand the contracting of final output to groups and individual workers in all production sectors and other work. As trades are added and expanded there must be tight organization of contracting out. It is necessary to seek all ways (such as investing additional fertilizer and labor, improving organization, management, and distribution, rewards and punishments, and creating all conditions for contractees to attain and surpass the contracted norms) to gradually and appropriately increase contracted output.

It is necessary to readjust and rearrange the contractees to ensure that all workers capable of working have employment and accept contracted work in whatever sector or work they are in. Efforts must be made to increase the ability of management cadres, especially the unit cadres, to organize and manage production. Resolute efforts must be made to overcome the situation of relaxing management and implementing "blank check" contracting.

5. It is necessary to implement broadly and tightly the socialist economic-social accounting system. We must know how to select production-commercial modes. Profitability must be ensured when developing a crop, a type of livestock, or a trade.

Accounting and economic analysis must be strengthened in order to indicate and develop the crops, livestock, and trades with greater economic effectiveness, while at the same time taking steps to economize on expenses, lower production costs, and rectify or eliminate the unprofitable sectors and aspects which are irrational and wasteful.

It is necessary to do a good job of implementing the system of sector accounting, accompanied by the unification of commerce and distribution, and to pay salaries in each sector at unit prices, in both money and grain, to suit the labor costs and production-commercial results of each sector. There must be a system of fair rewards so that in addition to basic salaries each sector can pay bonuses in both money and its products, depending on results attained in fulfilling the socialist production-commercial plans assigned to the sector.

The market prices of products (beyond the amounts delivered to the state on an obligatory basis) consumed within the cooperatives must, at the minimum, ensure the recovery of all production costs and a profit of at least 20 percent over production costs, in order to establish capital accumulation funds and general welfare funds in the cooperatives.

C. End Subsidies Within the Cooperatives

1. Ending subsidies in the regulation of grain: In providing grain for people who don't have enough to eat, it is necessary to examine the situation, make careful calculations, and provide assistance to the right people in accordance with the capability of the cooperative to provide grain. Specifically:

It is necessary to abandon the practice of distributing grain to everyone whose income level is lower than average. In selling grain to people who do not have enough to eat, it is necessary to investigate and calculate all sources of income of each household. Cooperatives must only sell grain to people who do not have enough to eat because they are unable to work. They must not sell grain to people who are able to work but refuse to work for the collective.

People who are disabled, old and weak people, people who are unable to work and have no means of support, and orphans are assisted by the cooperatives, which withdraw grain from the public welfare fund or the retirement insurance fund in places where such funds have been set up to grant to them (or to sell to them if they are assisted monetarily from the local state budget in accordance with Decree No 236, dated 18 September 1985, of the Council of Ministers). It is absolutely forbidden to deduct grain from the part distributed to cooperative members to help such people.

The cooperatives should not set aside more than 5 percent of the grain set aside for distribution to cooperative members to sell to people who are short of food. That should be done as follows:

The grain should be sold to cadres and cooperative members, first of all to people included in the policy, such as parents of war dead, the parents and children of disabled veterans, the wives of Class 1 disabled veterans, and disabled veterans to whom the state does not sell grain. As for the other categories mentioned above, only people who are not yet of working age should be included.

If the families of village party committee chairmen and secretaries and full-time village cadres are short of food, they may purchase additional grain (added to the average amount for a family), so that they can have a food consumption level equal to that of a skilled cooperative worker, but not exceeding 24 kilograms of grain, in paddy equivalent, per month.

Village public health personnel may buy an amount of grain equivalent to that of a good worker, but not more than 20 kilograms of grain per month.

In cooperatives with deficient production, where many people are covered by the policy, if they have set aside the full 5 percent from the grain to be distributed to cooperative members but there is still not enough, the amount sold may be smaller, with priority going to people included in the policy. At the same time, it is recommended that the district provide additional assistance for such people.

The price of grain sold to all categories mentioned above must be unified, in accordance with the cooperative's internal marketing price.

2. End subsidies in terms of work points. There must be a system which specifically stipulates which kinds of workers are permitted to participate in income distribution, which work points will be paid from other funds, and what kinds of work points are individual obligations and do not have to be borne by the cooperative.

The cooperative only distributes work points for production, service, protecting production, and management. Work points are not distributed for militia training, study, attending meetings, digging graves, attending funerals, etc.

Work points for cultural-artistic activities, information-propaganda activities, etc., are paid from the public welfare fund. Work points for nursery school and day-care center personnel are paid in part from the public welfare fund, while the children's parents are responsible for paying the other part.

Corvee labor is an obligation of all citizens of working age. Cooperatives may organize specialized units to replace obligatory corvee labor and collect work points from them to pay the specialized units. If the state mobilizes too many work days it must discuss the matter with the cooperative, sign a contract with it, and make fair payments based on the local cost of hiring

labor. Organs using obligatory labor must exercise tight accounting, use labor effectively and in accordance with the norm, and not throw work points around and expect the cooperative to be responsible for them. The cooperative man not be forced to assume responsibility for the obligations of other cooperatives.

There must be a specific system for inspecting and approving the various kinds of work points mentioned above before entering figures into the accounting books, and when drafting seasonal and annual distribution plans.

With regard to management work points, on the basis of organizing a streamlined, effective management apparatus, they must implement a policy of paying work points not to exceed 4 percent of the total number of work points distributed annually. In production units which produce little, the work points granted to the unit head and deputy heads are temporarily reduced.

3. End the situation of selling the cooperatives' products on a priority basis, at a low price, to certain categories of people, then forcing the cooperative to make up for the deficit. Cooperatives must not sell products to support the mass associations, sell them at upper-echelon conferences, or use as gifts, and the phenomena of celebrations, parties, and sumptuous receptions in the cooperatives, which adversely affect the collective economy.

4. End the situation of abusing, appropriating, borrowing, and owing cooperative property and capital.

Steps must be taken to recover all cooperative property and capital that has been abused, taken over, borrowed, or owed. Old debts must be inventoried and categorized, and steps must be taken to collect them. Principal and interest must be paid to the cooperative. In order to limit new debts, the buying, selling, and exchange of materials and products must be based on economic contracts and the organ purchasing the products must pay in advance or pay before accepting delivery of the products. From now on, no organization or individual may appropriate cooperative capital in any form.

5. End subsidies in distribution: In distributing value, after recovering all material expenditures and paying taxes, it is essential to ensure that cooperative members are paid in accordance with the planned value of a work day (which has been adjusted according to price changes at the time of distribution). Only then should any remaining profits should deductions be made for the various kinds of funds. All-out efforts must be made to ensure that the value of a work day is at least 10 dong. The weak cooperatives must endeavor to attain a minimum work day value of 7.5 dong.

When distributing grain, after taxes are paid an sufficient grain is set aside for seed, livestock feed, and sales to the state in accordance with two-way contracts, priority in distributing the remaining grain must go to ensuring that the workers have enough to eat. Only then may deposits be made into the funds according to regulations, or sold to the state at negotiated prices. In cooperatives with good grain production, efforts must be made to ensure that each work point is worth at least two kilograms of grain in paddy equivalent.

The weak cooperatives must ensure that a work point is worth at least 1.5 kilograms of grain in paddy equivalent.

When determining a level of grain distribution to set up grain funds for the sectors, priority must be given to workers who grow grain crops (especially rice). When developing new sectors and trades, calculations must be made to avoid adversely affecting the amount of grain distributed per work day in the grain cultivation sector. Workers in sectors and trades with high production can be paid an amount of grain no greater than the highest grain consumption level in the sector. For production in excess of that they will be paid an amount of money corresponding to the value of a work day--in both money and grain--in the sector.

The amount of grain used for animal feed must be closely calculated, and must be set aside in accordance with the grain capabilities of each cooperative, and with the requirements of the cooperative's animal husbandry plan for the coming year, but in general it cannot exceed 10 percent of the total grain output in paddy equivalent. That grain must be used as feed for concentrated or contracted-out hog raising in the cooperative, to support the raising in the cooperative, to support the raising of breeding sows and boars by the cooperative member families, and to feed water buffaloes and cattle being used for breeding or plowing during busy periods and cold weather.

With regard to the other products, after they are sold to the state in accordance with contracts and used by the cooperative to meet the needs of production and capital construction, and after part have been set aside for use as material incentives in the sector, the remainder may be sold to cooperative members at guaranteed commercial prices, sold at marketing stalls, or exchanged with the other economic sectors in accordance with contracts at negotiated prices.

6. Eliminate all types of funds except for those currently authorized for cooperatives, including money and grain funds. From now on the cooperatives may not make deductions from annual income to set up new economic funds, as some localities have done. Places requiring such funds must, under the guidance of the district people's committee, stipulate that each worker must contribute a certain amount of money or grain, and submit it for management and use by the district.

7. End subsidies in the use of social funds. It is necessary to have norms and plans regarding the use of public welfare funds (both money and grain), regarding each expenditure item.

Depending on the capability of each cooperative, part of the cooperative public welfare fund may be set aside to care for children in day-care centers, and part must be contributed by the children's parents. With regard to women who give birth, the cooperative must give aid only when the birth is according to plan.

With regard to the village level, expenditures for all activities in the village must be obtained from the village budget. From now on the

cooperatives may contribute 10 percent of their annual public welfare funds to the village budgets so that the budgets can balance expenditures for the activities within the sphere of the village. That includes expenditures for the common welfare cultural activities in the village. Except for that sum, the cooperatives may make no additional expenditures.

With regard to a number of other welfare activities, it is possible to combine service to culture and society with commercial activities intended to reduce public welfare expenditures, such as renting out wedding items (cassettes, amplifiers, etc.), organizing film showings, cultural performances, or other cultural activities for which tickets are sold.

D. End Subsidies By the State

1. Regarding the mobilization of grain and other products of cooperatives. In addition to obligations to pay taxes, the purchasing and supply organs must do a good job of implementing the system of contracts to supply materials to and purchase agricultural products from the cooperatives. The purchase prices of agricultural products must ensure that most of the cooperatives producing under normal conditions are profitable.

With regard to products purchased by the state in addition to taxes and materials exchange and production services contracts, the purchasing organs must draft plans and sign contracts with the cooperatives at the beginning of the production season, and may exchange goods or construction materials with the cooperatives. If there are no exchange goods or if the cooperative does not need them, the state will purchase the cooperative's products at negotiated prices.

With regard to pork the state assigns purchasing plans to the cooperatives based on the amount of grain actually set aside for collective or contracted out animal husbandry. The amount of grain used to encourage the raising of sows and breeding boars by cooperative members by cooperative members and for supplemental feeding of water buffaloes and cattle during busy periods and periods of cold weather must not be included. It is necessary to set rational prices for purchasing meat and ensure that the cooperatives make profits from livestock raising. The state organs purchasing meat from peasants must sign two-way contracts directly with them or buy meat at negotiated prices, and must force the cooperatives to sign contracts in place of the cooperative members.

With regard to agricultural products with many grades and prices, it is necessary to reduce the number of grades and prices to avoid arbitrary grading and pricing. Products which fully meet export standards must be bought at export incentive prices, as called for by Resolution No 51 of the Council of Ministers (such prices are 15 to 20 percent higher than the domestic marketing price).

2. The relationship between the sectors and the cooperatives: The relationships between the sectors and the cooperatives must be on an equal basis, and economic contracts must be intended to help one another increase

production. The authoritative attitude, which creates difficulties for the cooperatives, must be eliminated.

With regard to the supplying of materials, before each production season the materials supply and services organs must, on the basis of their actual capabilities, sign two-way contracts with the cooperatives and supply production materials in advance. If there are insufficient materials to fulfill the contracts, there must be a list of debts owed to the cooperatives. If the lack of materials harms the cooperative's production, the organ must pay a penalty. The materials must be weighed and counted, and the cooperatives must not be forced to make up short-falls and transportation expenses before receiving the materials. If there are insufficient transportation facilities, and the cooperative must provide their own facilities, the materials supply organ must calculate transportation expenses and materials depletion, in accordance with norms, and pay the cooperative.

With regard to the activities of the service corporations, such as plowing, irrigation machinery, the protection of crops and livestock, etc., for the cooperatives, there must be respect for the principles of voluntariness and economic accounting. Service fees must be based on actual investment in the cooperative and the actual effect on the results of the cooperative's production.

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CSO: 4209/226

LONG-TERM INVESTMENT MADE IN HO CHI MINH CITY AGRICULTURE

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 28 Nov 86 pp 1, 4

[Article by M.C.: "Long-Term 40 Million Dong Investment Made in Some Agricultural Production Installations Outside the City"]

[Text] In 1986 the Municipal Bank has concentrated the investment of 40 million dong of long-term (3 years) credit on agricultural production in areas around the city. More than 60 percent of that capital has been invested in the collective economic sector. The rest has been invested in the state sector.

The joint export shrimp raising project of Collective 10 in Binh Hung village (Binh Chanh) and the Municipal Aquatic Products Enterprise received the greatest investment: 7 million dong. Furthermore, 14 production collectives and agricultural cooperatives in Nha Be District borrowed 6.8 million dong to raise shrimp and fish.

An investment of 1.1 million dong was made in constructing a low-voltage electricity network for irrigation in the areas specializing in growing vegetables and short-term industrial crops in the Thanh Cong (Go Vap), Dong Thanh 2 and 3, and Tan Thoi Nhi (Hoc Monh) cooperatives and the production collective of Subprecinct 13 in Go Vap.

Most of the rest of the capital was set aside for constructing water conservancy projects in the fields, livestock pens, brick kilns, sugar mills, etc. The Thong Tay Hoi (Go Vap) and An Phu dong (Hoc Mon) agricultural cooperatives borrowed 447,000 dong to set up experimental family dairy farms, which have begun to attain results.

In the villages of An Phu Dong and Tan Tho Hiep (Hoc Mon) credit capital has been invested in many long-range projects which have been planned, accompanied by complete economic-technical justifications.

5616

CSO: 4209/325

INDUSTRIAL REQUIREMENTS OF MEKONG DELTA AGRICULTURE DISCUSSED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 25 Nov 86 p 3

[Article by Tran Quoc Khai: "What Does Agricultural Production in the Mekong Delta Demand of the State and the Industrial Sector of Ho Chi Minh City?"]

[Text] The Mekong Delta, one of the two principal rice baskets of our country, has a cultivated area of nearly 2 million hectares and produces 8 to 10 million tons of rice a year. If fully utilized, it could attain 15 million tons of paddy, which would provide about six or seven million tons of commodity rice, double the present commodity rice output (in 1985 the Mekong Delta supplied more than 3 million tons of commodity rice--more than 70 percent of the nation's commodity rice output).

According to calculations by agricultural scientists, because of the natural limitations of the Red River Delta (its limited area, which has already been almost fully developed, and a relatively high population density), the rice production of that area in the coming period cannot grow by more than 8 percent a year. But the Mekong Delta can attain a rate of 10 to 15 percent (the highest rate of increase of rice output in the world at present is 6 to 8 percent). Before the liberation the Mekong Delta had about 8,000 large tractors, 15,000 small tractors, and more than 500,000 other agricultural machines imported from foreign countries. The remaining facilities were various kinds of improved machines and labor tools, most of which were supplied by industry in Saigon. But more than 10 years after the liberation, although the state has invested more than 5,000 large tractors most of the tractors have broken down because they have been used too long and there were no spare parts, so only about 4,500 tractors are still usable, and only about 5,000 small tractors, and fewer than one-tenth of the agricultural machines are still in operation. There is an increasingly serious shortage of labor implements. According to a survey taken in 1985, in the Mekong Delta and in the rural areas around Ho Chi Minh City, the peasants do not have sufficient implements with which to produce. For every three workers there is only one hoe, there is only one sickle for every two workers, there is one shovel for every four people, and there is one scythe for every two households. Seventy percent of the workers still thresh rice by hand and winnow it by using woven mats and straw hats. During the summer and fall of 1984, because there was excessive rain and high humidity, and because there were no drying machines, a shortage of granary space, and a shortage of transportation facilities, the

summer-fall rice mildewed and was swept away by the rain. Nearly 300,000 tons of paddy (nearly 30 percent of the seasonal output) was lost. That amount of rice is sufficient to feed everyone in the city for 6 months. From the point of view of the structure of investment in a hectare of rice by peasants in the Mekong Delta, to produce only enough to eat, on each hectare they need to spread 100 kilograms of area and 50 kilograms of phosphate, and need cultivate the soil only twice. But if they want to produce commodity rice, i.e. practice intensive cultivation, and to increase output by 30 percent, the amount of fertilizer used must be doubled and the soil must be cultivated an additional time. If they want to increase output by 50 percent, the amount of fertilizer must be increased by 350 percent and the land use ratio must double. That applies to the fresh water areas along the Tien and Hau rivers. From that it can be seen that agricultural production in the Mekong Delta depends to a very great extent on assistance from industry in Ho Chi Minh City and in the nation as a whole.

Over a period of more than 10 years industry has developed in the localities and in Ho Chi Minh City, but industry serving agriculture had developed slowly and its organization is not yet rational, which both wastes the capacities of the equipment and does not effectively meet the requirements of production. With regard to the capabilities and technical equipment of industry in Ho Chi Minh City, it is possible to refurbish and manufacture the various kinds of essential tractor parts, such as high-pressure pumps, innertubes and tires, cog wheels, etc. Regretfully, however, no functional organ has stepped forward to organize those activities. Nor has the state assigned norms and supplied materials and capital so that the city can produce them. As a result, thousands of tractors have broken down because of a lack of spare parts and the same is true with regard to agricultural machines. According to an initial survey in the precincts and districts of the municipality with regard to industrial capability, if the state provided sufficient steel, energy, and capital, and part of the technical equipment, Ho Chi Minh City could meet 80 percent of the need for machinery spare parts for agricultural production in the Mekong Delta and the nation as a whole. It could thus provide jobs for tens of thousands of workers. One of the deficiencies that has recently caused very great harm has been the dispersal of the industrial sector's capital. Over a period of more than 10 years the state has built more than 1,000 large and small installations, some of which have been very large, but none produce fertilizer and factories for agriculture. For those things, which are essential for the nation's agriculture, we must depend entirely on foreign countries. Distribution to the localities in a mechanical manner has disrupted the distribution of labor and the development of the economic areas that had previously been formed, has led to the situation of territorial division, has broken up the economic areas, and has caused chaos in production. Many materials and much energy and equipment have been distributed evenly among the localities, which has resulted in the situation of many localities not needing or using all of them, so they sell them or allow them to break down, while the city has factories and workers but no jobs. In addition, the policy of "impeding the flow of commerce" has caused many agricultural products intended to serve the lives of the people and provide raw materials for the city's industry to be in short supply, and has harmed not only local agricultural production but has also exacerbated the economic situation and social life of the city and the nation as a whole.

We must implement the resolution of the Fourth Congress of the Municipal Party Organization and the new spirit of the draft resolution of the Sixth Party Congress on building an agricultural-industrial economic structure and orienting the industrial sector toward serving the requirements of agriculture. The key to the problem is renovating thought on developing the economic sector. Special attention must be paid to assigning plan misisions and reorganizing the industrial sector in Ho Chi Minh City, in order to develop to the city's industrial capability to the maximum to serve agriculture in the Mekong Delta and the entire nation. It is necessary to end the situation of breaking up territorial economic areas and create favorable conditions for industry in the city and in the localities to develop rationally. For the city's part, it must rationally reorganize its industrial sector, concentrating on industries which serve agriculture. The city's industry should manage the principal, important products, such as the various kinds of equipment and spare parts for tractors and the other kinds of agricultural machinery. The precinct echelon should be assigned responsibility for managing labor implements, but it should intensify its product quality inspections. Industries processing and producing machinery to process agricultural products should be more strongly developed to meet the needs of agricultural production in the future.

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CSO: 4209/234

TRUTHFULNESS URGED IN VIEWING AGRICULTURAL COOPERATIVIZATION

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 28 Nov 86 p 1

[Article by Ben Nghe: "Looking Directly At the Truth, the First Step in Consolidating and Improving the Quality of the Collectives and Cooperatives Outside the City"]

[Text] Following the congress of the party organization, a number of districts outside the city are carrying out inspections and will, on the basis of the actual situation, carefully discuss practical measures for consolidating and improving the quality of the agricultural cooperativization movement. According to a previous report, in Hoc Mon 80 percent of the agricultural households and the land had been collectivized, but after a resurvey was made it was found that the ratio had dropped to 60 percent. Fully imbued with the viewpoint of the Political Bureau--"Transformation is a permanent, continuous mission throughout the period of transition, with appropriate forms and paths of advance," and fully understanding the direction and mission regarding transformation set forth by the congress of the municipal party organization--"Improving the quality of the collective economic organizations, continuing to carry out socialist transformation by means of appropriate forms and paths of advance, etc., and organizing the individual households into appropriate transitional economic forms," it is certain that not only Hoc Mon, but also the other districts, will will be able to reexamine the agricultural cooperativization movement in the localities very carefully. In order to be imbued with and fully understand the viewpoints of the Political Bureau and the resolution of the municipal party organization congress regarding transformation, we believe that first of all we must truly look directly at the truth, for only thereby can we correctly evaluate the actual situation of agricultural cooperativization, on the basis of which to set forth correct policies and measures to develop it, overcome problems, and adjust it. If we do not respect the truth we will evaluate the situation incorrectly and the policies and measures will also be incorrect.

In fact, in Hoc Mon we see that 20 percent of the 80 percent (according to past figures published regarding the essential completion of cooperativization) did not truly volunteer to enter into collective livelihood. There are some true production collectives and cooperatives, some of which are rather solid, but some collectives and cooperatives exist inform only. It is true that some people have "rolled up their sleeves and

voluntarily entered the cooperatives," but others are reluctant to enter. According to Lenin, such people should be allowed to "continue to meditate on their own land," and according to the analysis by Comrade Truong Chinh in his lesson "Make the People the Root," "it is necessary to persistently educate and wait on the people," and not to be commandistic and coercive. Like Hoc Mon, if the other districts truly respect the truth, manifest a strong sense of responsibility toward the people and the party, and organize truly strict and careful supervision, it will not be difficult for them to discover "the collectives and cooperatives which exist in form only."

At present, in general, in the areas outside the city some collectives and cooperatives are successful and have contributed much valuable experience regarding management, the organization of production, and the contracting out of production. Especially, some places have contributed experience in the formation of "agricultural-industrial-commercial-credit" models. But other collectives and cooperatives exist in form only.

The true collectives and cooperatives should, we believe, be consolidated and improved in quality by truly bringing into play the mastership right and initiative of the workers, discussing matters with them in order to have a correct policy, having a rational production structure and investment structure, fully developing local natural resources and labor, organizing the rational contracting out of land, and organizing the contracting out of output in the spirit of Directive 100. But contracting must be appropriate to the circumstances of each place, "blank check" contracting must be ended, the ability, quality, and responsibility of the management cadres must be strengthened and improved, and all-out attention must be paid to the living conditions of cooperative members and collective members. With regard to collectives and cooperative which exist in form only, we recommend that they enter deeply into propaganda, campaigning, and consciousness-raising, and that they tell the truth, speak frankly about difficulties and obstacles, and also fully explain the basic, long-range benefits of collective livelihood, so that the people can think things over and join voluntarily. After a campaign, only people who do so voluntarily should enter cooperatives. Those who do not yet wish to may wait, so that they may continue to "think things over on their own land." They may not be ordered, coerced, threatened, or pressured, as in the past.

Our peasants are very good. If our cadres and party members are exemplary and pure, are always sincerely involved, respect the people, and speak politely, once the people realize the benefits and the disadvantages they will roll up their sleeves and begin to work immediately. If we are arrogant, authoritative, commandistic, and threaten or coerce the people, the transformation work will have to pay a high price. In order to continue to do a good job of transforming agriculture, and truly consolidate and improve quality, the collectives and cooperatives must, we believe, seek all means to enable the collectives and cooperatives to become truly prosperous and the people's living conditions to be improved, on the basis of which to create "magnets" in the rural areas. Furthermore, the party committee echelons, the governmental administrations, the peasants, association, the Youth Union, and the collectives and cooperatives must remain very close to and respect the people who are still earning their livings individually, and must invite them

to enter the production collectives or other appropriate forms, if they desire to do so. At the same time, they must go all-out in helping the people, overcome difficulties regarding production and living conditions, and must not be prejudiced, narrow-minded, or harsh toward the people. Only thereby can they be sympathetic and rational, and that is the best way to gradually and positively campaign for the peasants to voluntarily enter upon the cooperative path.

5616

CSO: 4209/235

PORT UNDER CONSTRUCTION AT BEN NGHE

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 28 Nov 86 p 1

[Article by V.Q.: "Port Being Built at Ben Nghe To Relieve Congestion at Port of Saigon"]

[Text] The construction units of the Ben Nghe port are urgently preparing the surface and completing the necessary project items. The port of Ben Nghe is being built to relieve the backlog in the handling of cargo, which is concentrated at the port of Saigon.

The truck transportation and river transportation enterprises of the municipal communications-transportation sector have transported, dumped, and leveled more than 100,000 cubic meters of sand to create a surface area more than 50 meters wide and nearly 200 meters long. The bridge enterprises of the Zone 6 transportation enterprise federation have driven more than 600 concrete piles.

However the construction of the port is still proceeding slowly because submerged objects in the construction area have not yet been raised and the designs of some project items have not been completed by the design department so that construction can begin.

5616

CSO: 4209/235

BUILDING OF TRANSFORMER STATION, TRANSMISSION LINE STARTED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 11 Nov 86 p 1

[Article by T.T.A.: "Construction Started for 220-kv Transformer Station and Hoc Mon-Hoa Xa 110-kv Transmission Line"]

[Text] In the morning of 10 November 1986, at Tan Thoi Hiep Village (Hoc Mon District), the Transmission Line and Station Construction and Installation Corporation 2 started the construction of the Hoc Mon 220-kv transformer station and the Hoc Mon-Hoa Xa 110-kv transmission line, a major Vietnam-Soviet Union friendship project.

This is an important project aimed at building an electric power network compatible with generator group 1 of Tri An Hydroelectric Power Plant, which will begin to operate late in 1987, and in time to bring electricity from this plant to the production installations and people in the municipality, the Song Be rubber-industry zone, and the key agricultural zones in the Mekong delta.

Nguyen Dinh Tranh, vice minister, Ministry of Power; Vo Thanh Cong, member of the Municipal CPV Committee and chairman, Industry Committee of the Municipal CPV Committee; and representatives of committees, sectors, and mass organizations throughout the municipality attended the ceremony. The Soviet consul general in Ho Chi Minh City and representatives of the Soviet technicians working for the Tri An hydroelectric power project were present at the ceremony.

The Hoc Mon 220-kv transformer station will have an area of more than 90,000 square meters, with 50,836 square meters of construction, and 2 125-MVA transformers, 1 40-MVA transformers, 8 220-kv automatic circuit breakers, and 10 110-kv automatic circuit breakers. The equipment to be assembled and installed will have a total weight of 2,500 tons. The volume of precast reinforced concrete will total 2,500 cubic meters.

5598

CSO: 4209/224

HO CHI MINH CITY TEXTILE OUTPUT DECLINES IN 1986

Ho Chi Minh SAIGON GIAI PHONG in Vietnamese 25 Nov 86 p 1

[Article by L.S.: "Municipal Textile Sector's 1986 Cloth Output May Decline by 15 Million Meters Compared to 1985"]

[Text] According to estimates of the municipal textile sector, as of 15 October the sector had attained only 68 percent of its 1986 finished cloth output plan. The production rate was the lowest of the past 3 years. The reason was that in addition to the major difficulty regarding yarn, the contracted-out price policy is irrational and hamper the small industry-handicrafts workers, who are not enthusiastic in production (although the city has taken the initiative by making many upward adjustments). Furthermore, the sources of yarn to produce Plan B products are still too dispersed, while the textile sector does not yet have appropriate sector management measures, so the quantity of self-produced, self-consumed goods in the small industry and handicrafts sector is still very great, and many small industry-handicrafts production installations are still reluctant to accept plans to produce goods for the central textile sector.

In order to temporarily overcome that situation, and go all-out in production during the first quarter, the municipal textile sector is coordinating with the precincts and districts and is encouraging the production installations to fulfill Plan A (contract work for the central textile sector). At the same time, it has recommended that the city continue to increase contracted unit prices. The enterprises will obtain yarn in accordance with the slogan "obtain all yarn from all sources" (from all central-level yarn mills), and will increase the number of work shifts to rapidly increase production, and will speed up procedures to pay piecework salaries, allowances, etc., to the workers. The precincts will intensify inspections of production plan fulfillment by the cooperatives.

In general, the production situation of the textile sector during the first half of November underwent a transformation but was still slow. In view of that situation, the municipal textile sector's output may fall short of last year's by 15 million meters. That situation must be subjected to serious study so that timely experience may be gained.

5616

CSO: 4209/234

DEVELOPMENT OF COLLECTIVE SMALL INDUSTRY, HANDICRAFTS URGED

Hanoi TIEU CONG NGHIEP THU CONG NGHIEP in Vietnamese 26 Dec 86 p 5

[Article: "Some Systems and Policies To Encourage the Development of Small Industry and Handicrafts in the Collective Economic Sector"]

[Text] In order to increase the volume of social commodities, provide jobs for many workers, and achieve social justice, the People's Committee of Ho Chi Minh City recently approved a number of systems and policies to encourage the development of small industry and handicrafts in the collective economic sector. With regard to obligations and rights, in addition to the stipulations made by the cooperative statutes, cooperative members receive short-term and long-term cultural, political, specialized, and professional training in state classes. The children of members of high-level cooperatives receive the same educational rights as the children of cadres, workers, and state civil servants. The cooperative members benefit from a social security system and a public health system funded by the municipal cooperative federation. They receive grain rations set by the state, according to the sector or trade, have the same socialist labor obligation as workers in state enterprises, etc. with regard to property, the cooperative may receive shares contributed by private individuals or organizations of Vietnamese living abroad, in the form of money, materials, equipment, etc., to modernize technology and the material-technical bases. The frequency and amounts of such contributions are not restricted. The cooperatives may take the initiative in finding markets, determining the direction and scale of production, draft their own plans, with priority to fulfilling the norms of the state plan, and implementing economic contracts in accordance with the mode of buying raw materials, selling finished products inside and outside the city, reducing red tape, and approving contracts within 3 days. The cooperatives may buy surplus materials, rejected materials, and waste materials from the state materials, are supplied materials and raw materials directly by the state if an economic contract has been signed with the state, and receive materials and equipment from the humanitarian organizations, and international organizations of Vietnamese abroad.

The cooperatives have the right (outside of product contracts signed with the state) to organize the marketing of their products at negotiated prices, and may retain some of their products to exchange for materials. The state encourages the cooperatives to find markets abroad, send people abroad to

official visits and do market research by using their own funds, and will carry out on a trial basis in the high-level cooperatives the use of foreign exchange earned from the export of products to purchase means of production. New products that are produced on a trial basis to test the market must be registered with the management organ and the products must be sold at the correct prices. The state does not set the prices of such products.

The salaries, allowances, and grants of cooperative members correspond to the salaries and allowances of local state enterprises in the same sector or trade. The cooperatives apply the mode of "contracting products" and pay salaries in accordance with the principle of distribution according to labor.

With regard to exports, the profit norm is 10 to 25 percent greater than that for ordinary products. As for taxes, the policy recorded in the Industrial-Commercial Tax Statutes calls for exemptions of 1 or 2 years for products produced from equipment sent by relatives from abroad, and for products which can replace imported products. Recently established cooperatives which are still experiencing many difficulties are exempted from taxes on products they produce on a trial basis. Taxes on products for which the cooperative finds markets are exempted or reduced for a period of from 6 months to 1 year. Products which can be exported to compete on the world market. Taxes are exempted or reduced on materials sent by relatives from abroad, and modern equipment and valuable, scarce materials are exempted from initial taxes. cooperatives which produce export goods for the state on a contracted-out basis, but are experiencing difficulties, are exempted from income taxes.

The state bank lends sufficient capital for production or supplements equipment to improve technology and expand production. The cooperatives which sign economic contracts with the state or enter into joint operations with the state receive priority in borrowing capital and in withdrawing money. cooperatives with good management may borrow funds beyond the plan, as may state enterprises.

The cooperatives' products must meet technical quality standards. Their grade must be clearly recorded, they must be insured, and they must have labels. Cooperatives have the right to lease or buy innovations, inventions, and technical secrets.

5616

CSO: 4209/227

BRIEFS

INCREASE OF PAPER PRODUCTION--As the result of a reorganization of its assembly line now being synchronized and closed, the Thu Duc Paper Mill has raised its average monthly production from 250 to more than 300 metric tons. Now workers can complete and check their work and product right on the assembly line. During the period of emulation to welcome the party congress, the mill completed two major projects: putting soda into water before inserting it onto the assembly line, instead of keeping it in its powder form as before, and overhauling continuous digester No 2 to improve work of the pulping section. [Text] [Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 6 Nov 86 p 1] 5598

CSO: 4298/224

PORT OF HAIPHONG BEATS DEADLINES IN HANDLING CARGOES

Hanoi NHAN DAN in Vietnamese 27 Nov 86 p 1

[Article: "Freight/Cargo Handling Area 1 of Haiphong Port Finishes Unloading of Ships 2-5 Days Ahead of Schedules"]

[Text] Nearly 2,000 cadres and workers of the Port of Haiphong's Freight/Cargo Handling Area 1 marked the 57th anniversary of the Day of Traditions of the Haiphong worker class (24 November 1929-24 November 1986) and realistically scored achievements to welcome the Sixth Party Congress by showing new labor achievements: In October and the first half of November, almost all Soviet ships were unloaded 2-5 days ahead of schedules. Four cargo ships were unloaded very early, with quality of work being ensured. Labor productivity of workers in loading/unloading units 46 and 82 in recent days regularly increased by 10 percent over the assigned goal.

The above-mentioned initial results reflected the new managerial method running all the way from the port authorities down to every loading-unloading worker. In compliance with the determination of the CPV Committee and director to make 1986 a year in which the quality of freight/cargo handling would be improved, Area 1 has been applying the principle of classifying goods and delivering goods on the basis of shipment and pier and maintaining strict discipline by changing shifts on the spot. On the other hand, it organized control units consisting of protection, regulations, labor, and wages officers; inspected on a regular basis shifts, conveyor belts, etc.; and corrected and handled in time any violations of procedures. Every production shift succeeded in raising its useful time by 30-50 minutes. The tendency to do easy jobs and to turn down difficult ones was reduced. The port adopted the unit price system to encourage loading of difficult and export goods. In the first half of November, Area 1 helped the port to handle more than 11,000 tons of export goods, a substantial increase over the same period in previous years.

5598

CSO: 4209/218

PUBLIC HEALTH SERVICE SETS UP COMPUTERIZED HEALTH FILES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 11 Nov 86 p 4

[Article by Q.K.: "Public Health Service Computerizes Scientific Research"]

[Text] By actively using computer, a 4th-generation IBM computer system, in handling information, the Public Health Service is one of the few technical and economic sectors in the municipality that are managing their activities by computer-science techniques.

In order to quickly develop this modern technical application, the sector has opened courses to train office chiefs and deputy chiefs in gathering primary data and writing computer programs. Nearly 50,000 files in different children's health offices, hundreds of thousands of children's inoculation files, and more than 3,000 files of residents of Hiep Phuoc Village (Nha Be District) in the initial experimental health-care program and many scientific research projects at the sector level are being managed by computer in order to detect any problems that have to be resolved.

5598

CSO: 4209/224

REGISTRATION COMPLETED FOR RETURNEES FROM NEW ECONOMIC ZONES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 7 Nov 86 pp 1, 4

[Article by V.K.: "Fourth Precinct: Household Registration Completed for 1,709 Families Having Returned From New Economic Zones"]

[Text] By the end of October 1986, household registration has been completed for 1,709 families consisting of 11,997 persons, who returned from the new economic zones to the 4th Precinct.

The public security office of the precinct had improved the ways it determined and set up files and at the same time had changed its working method and cumbersome procedures in order to make it easier for these people to register again.

The household registration team (4th Precinct Public Security Office) used to receive visitors and to deal with file problems in only three mornings and to return files in three afternoons a week, but now it receives visitors at any time and seeks advices from the superior echelons to deal with the pending files earlier so as to lessen the time people must spend in its office.

The public security office, in coordination with the precinct's labor office, also succeeded in getting 560 families consisting of 2,260 persons who were not entitled to registration in the municipality either return to their original place of residence or go to and help to build new economic zones and state rubber plantations.

5598

CSO: 4209/224

SEVENTEEN YEARS OF NOMAD SETTLEMENT REVIEWED

Hanoi NONG NGHIEP in Vietnamese 15 Dec 86 pp 4, 5

[Article by Tien Sang: "After 17 Years of Carrying Out the Fixed Cultivation and Habitation Campaign"]

[Text] Our country's mountain region accounts for two-thirds of the nation's area. More than 6 million ethnic minority people live there, of whom 2.2 million are included in the fixed cultivation and habitation campaign. Approximately half of them practice only shifting cultivation and habitation, primarily in the rugged jungles-and-mountains areas in Tay Bac, the Central Highlands, the provinces of the former Zone 4 and the central coastal areas. About 30 percent of them have adopted fixed habitation but still practice fixed cultivation. The remaining 20 percent have begun to practice fixed cultivation and habitation but their material bases are still lacking and unstable.

Beginning with the implementation of Resolution 71/TW of the Political Bureau, the fixed cultivation and habitation movement has been carried out for more than 17 years and has achieved a number of notable results. A fixed cultivation and habitation life has been created for 950,000 ethnic minority people out of a total of 2.2 million who were still practicing shifting cultivation and habitation. Many fixed cultivation and habitation areas have developed production to ensure stable living conditions and the people contentedly develop the cooperatives and the villages. Some cooperatives have become hero units. During the past 17 years wasteland has been cleared and more than 124,000 hectares of regularly cultivated land have been created (including wet-rice paddies, terraced paddies, and dry paddies), and 2,219 water conservancy projects have been built, combined with 25 small hydroelectricity stations. In the Central Highlands, nearly 100,000 hectares have been cleared, including 25,000 hectares of wet-rice paddies. Yields of five tons a hectare have become common and not difficult for the ethnic minority people. Some cooperatives have attained yields of more than eight tons per hectare. Therefore, the grain problem has essentially been resolved and obligations toward the state have been fulfilled. In some places the people and the state installations have engaged in forestry and more than 40,000 hectares have been afforested collectively. Areas which grow forestry crops with high export value have been gradually formed, such as the cinnamon areas in Hoang Lien Son and Quang Ninh. With regard to industrial crops,

during the the past 17 years more than 16,000 hectares have been planted, including tea (Ha Tuyen, Hoang Lien Son, and Lang Son) and coffee (Lam Dong, Dac Lac, and Gia Lai-Kon Tum). Many cooperatives specialize in growing special products crops, medicinal crops, etc. The lives of the ethnic minority people in the villages have begun to be reorganized so that they can be appropriate to production. Many places have electricity, roads, and hospitals. More and more spacious schools have been constructed.

However, the fixed cultivation and habitation campaign is still beset with many problems which must be resolved. There are still many people (1.3 million) people who practice shifting cultivation and habitation and require further encouragement. In the places where the ethnic minority people have settled the material bases are still poor and incomplete. In many places the cooperatives exist only in form. Most are weak and deficient cooperatives in which there are many instances of "blank-check" contracting, rice yields are still low, and many fields are still left fallow. The people have not yet brought into play the strength of forestry, and the ratio of workers participating in forestry is still too small (2 percent). Forests are still being cut down to make slash-burn fields. Livestock are still raised primarily by letting them roam free, and cargo is transported primarily by horses, but the number of horses has steadily decreased. Travel between the various areas are still very difficult.

In future years, we must continue to carry out the fixed cultivation and habitation campaign, on the basis of determining a correct production direction for each area in order to fully develop its labor and land capabilities. The fixed cultivation and habitation work must be accompanied by developing the forests, achieve an agricultural-forestry mode, and engage in forestry, agriculture, small industry, handicrafts, and the other sectors and trades. In places where conditions permit, some ethnic minority workers must be brought into the state farms and state forests.

With regard to the Central Highlands, a plateau area with much fertile land, where the percentage of land covered by forests is still large and the population density is still small, it is necessary to organize the ethnic minority people to adopt fixed cultivation and habitation combined with the development of state farms and state forests and sending people from the lowlands to develop new economic zones. There must be regulations, policies, and positive measures to support, and encourage the development of, the family economy, especially the development of family coffee plots. That area must endeavor to complete the fixed cultivation and habitation work in 1988, and the districts experiencing difficulties must also complete it before 1990.

In the eastern Nam Bo area (Song Be and Dong Nai) fixed cultivation and habitation must be tied in with achieving local self-sufficiency in grain by clearing wasteland, expanding the cultivated area, and developing water and water conservancy projects to create wet-rice paddies. The garden economy, especially the growing of pepper and coffee, must be developed. Dong Nai Province must complete its fixed cultivation and habitation work in 1987 and Song Be must complete its in 1989.

In the central coastal area, the people practicing shifting cultivation and habitation live primarily in high-altitude mountainous areas, where the land inclination is steep but the soil is good. There it is necessary to clear wasteland, expand the wet-rice area, and cultivate special products forests, combined with the planting of trees with high economic value, such as cinnamon in Tra My and Tra Bong, tung oil, and the other kinds of forestry products. Efforts must be made to complete the fixed cultivation and habitation work before 1990.

In the midlands and mountain regions of the north and the former Zone 4, where the people who practice shifting cultivation and habitation live intermingled with people who practice fixed cultivation and habitation, it is necessary to fully utilize the land to produce grain locally, and to positively plant forests to provide paper pulp, and to protect the valuable forest areas. In the northern midlands and mountain region efforts must be made to complete the fixed cultivation and habitation work between 1986 and 1988 and to complete it by 1990 in the former Zone 4. In the northern and northwestern border areas fixed cultivation and habitation must be based on developing production by combining agriculture and forestry, stepping up land clearing, and expanding the wet-rice area to resolve the grain problem, and plant forest product trees with high economic value, such as tung, anise, cinnamon, etc., combined with corn, potatoes, and manioc in order to use the short-term to nourish the long-term. It is necessary to reorganize the villages into new population centers which are appropriate to production, combat, and readiness to fight to defend the border. It is necessary to gradually build and form economic, technical, and cultural centers for each subregion. Especially, the places experiencing difficulties with regard to land, with unfavorable production conditions and high population densities, may transfer part of their population to places with more favorable production conditions inside and outside the province. If it is necessary to transfer people, meticulous advance preparations must be made to ensure the people's living conditions and good solidarity. Because of the difficult nature of those areas, the deadline for completing fixed cultivation and habitation will be 1995, and 1987 for Quang Ninh Province.

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CSO: 4209/227

END